GREATER HARRISON PUBLIC SERVICE DISTRICT

WATER REVENUE BONDS, SERIES 2004
(WEST VIRGINIA INFRASTRUCTURE FUND)

Date of Closing: July 27, 2004

BOND TRANSCRIPT

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GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

BOND TRANSCRIPT

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GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

WATER REVENUE BONDS, SERIES 2004 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

BOND RESOLUTION

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GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF $703,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

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

B. The Issuer presently owns and operates a public waterworks system. However, it is deemed necessary and desirable for the health, safety, advantage, convenience and welfare of the inhabitants of the Issuer that there be acquired and constructed improvements and extensions to the existing public waterworks system of the Issuer, consisting of approximately four miles of water line extensions, an 80 gallon per minute booster station, fire hydrants, a 47,000 gallon storage facility to serve 52 new customers, together with all appurtenant facilities (the existing public waterworks facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund) in the total aggregate principal amount of $703,000 (the "Series 2004 A Bonds"), to permanently finance a portion of the costs of acquisition and construction of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2004 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2004 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2004 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2004 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and

between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), 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 merged with Lost Creek-Mt. Clare Public Service District, Quiet Dell Public Service District and Valley of Good Hope Public Service District, acquiring all their assets and assuming all their liabilities. Quiet Dell Public Service District and Valley of Good Hope Public Service District had no outstanding bonds. The Issuer has assumed from Lost Creek-Mt. Clare Public Service District certain outstanding bonds, which are re-designated and have the lien positions with respect to the Net Revenues of the merged waterworks system of the Issuer as follows:

Designation	Lien Position
(1) Lost Creek-Mt. Clare Public Service District Waterworks System Revenue Bonds, Series A, dated December 16, 1966, held by the United States Department of Agriculture, issued in the original aggregate principal amount of $330,000 and hereby re-designated by the Issuer as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1966 (United States Department of Agriculture) (the "Series 1966 Bonds").	First Lien
(2) Lost Creek-Mt. Clare Public Service District Water Revenue Bonds, Series 1974, dated May 27, 1976, held by the United States Department of Agriculture, issued in the original aggregate principal amount of $305,000 and hereby re-designated by the Issuer as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1974 (United States Department of Agriculture) (the "Series 1974 Bonds").	First Lien

The Series 1966 Bonds and the Series 1974 Bonds are hereinafter collectively called the "Prior Bonds." The Prior Bonds are secured by a first lien on and a pledge of the Net Revenues of the System, on a parity with each other.

There is an outstanding obligation of the Issuer which does not have a lien on any revenues of the System, nor is it payable from Net Revenues, held by The County Commission of Harrison County, issued in the original aggregate principal amount of $50,000.

The Series 2004 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. Prior to the issuance of the Series 2004 A Bonds, the Issuer will obtain (i) a 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 certain of the Holders of the Prior Bonds to the issuance of the Series 2004 A Bonds on a parity with the Prior 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. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Resolutions.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest, if any, on the Series 2004 A Bonds and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2004 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 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 2004 A Bonds or such final order will not be subject to appeal or rehearing.

J. The Project has been reviewed and determined to be technically and financially feasible by the 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 2004 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 Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2004 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a

series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 16, Article 13A, and Chapter 31, Article 15A 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 2004 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"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 2004 A Bonds, the Prior Bonds and 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 2004 A Bonds for all or a portion of the proceeds of the Series 2004 A Bonds from the Authority.

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

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

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

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

"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.

"Grants" means all monies received by the Issuer on account of any Grant for the Project.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that "Gross Revenues" does not

include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

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

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

"Investment Property" means:

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

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

"Issuer" means Greater Harrison County Public Service District, formerly Grant-Union Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Harrison County, West Virginia, which has heretofore merged with the Lost Creek-Mt. Claire Public Service District, Quiet Dell Public Service District and Valley of Good Hope Public Service District and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means, the Loan Agreement heretofore entered, or to be entered, into by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2004 A Bonds from the Issuer by the Authority, the

form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2004 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the 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 2004 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

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

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

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond cancelled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which 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 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 2004 A Bonds in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Series 1966 Bonds and the Series 1974 Bonds.

"Prior Resolutions" means, collectively, the resolutions adopted by Lost-Creek-Mt. Clare Public Service District on September 29, 1966, and February 11, 1975, authorizing the Prior Bonds and hereby assumed by the Issuer.

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

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

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

(a) Government Obligations;

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

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

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

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time

accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

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

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

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

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is 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.

"Registrar" means the Bond Registrar.

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

"Repair and Replacement Fund" means the Repair and Replacement Fund continued by Section 5.01 hereof.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2004 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2004 A Bonds and the Prior Bonds.

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

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

"Series 1966 Bonds" means the Lost Creek-Mt. Clare Public Service District Waterworks System Revenue Bonds, Series A, dated December 16, 1966, issued in the original aggregate principal amount of $330,000, assumed by the Issuer in its merger with Lost Creek-Mt. Clare Public Service District and hereby re-designated by the Issuer as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1966 (United States Department of Agriculture).

"Series 1974 Bonds" means the Lost Creek-Mt. Clare Public Service District Water Revenue Bonds, Series 1974, dated May 27, 1976, issued in the original aggregate principal amount of $305,00, assumed by the Issuer in its merger with Lost Creek-Mt. Clare Public Service District and hereby re-designated by the Issuer as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1974 (United States Department of Agriculture).

"Series 2004 A Bonds" means the Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Resolution.

"Series 2004 A Bonds Construction Trust Fund" means the Series 2004 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2004 A Bonds Reserve Account" means the Series 2004 A Bonds Reserve Account established in the Series 2004 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 2004 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2004 A Bonds in the then current or any succeeding year.

"Series 2004 A Bonds Sinking Fund" means the Series 2004 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2004 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution 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 2004 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2004 A Bonds, and not so included, may be included in another Supplemental Resolution.

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

"System" means the complete public waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and all waterworks 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 waterworks system; and shall also include the Project and any and all extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the waterworks systems from any sources whatsoever.

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

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

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of $703,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2004 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the Council.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2004 A Bonds, funding the Reserve Account for the Series 2004 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2004 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 2004 A Bonds of the Issuer. The Series 2004 A Bonds shall be issued as a single bond, designated as "Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund)," in the principal amount of $703,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2004 A Bonds remaining after funding of the Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2004 A Bonds, if any, shall be deposited in or credited to the Series 2004 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2004 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2004 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2004 A Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2004 A Bonds shall 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 2004 A Bonds. The Series 2004 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall have such terms as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2004 A Bonds shall be executed in the name of the Issuer by the 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 2004 A Bonds shall cease to be such officer of the Issuer before the Series 2004 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2004 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. The Bond Registrar for the Series 2004 A Bonds shall be the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns. No Series 2004 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2004 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2004 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2004 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2004 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2004 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2004 A Bonds or transferring the registered Series 2004 A Bonds are exercised, all Series 2004 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2004 A Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2004 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2004 A Bonds or, in the case of any proposed redemption of Series 2004 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2004 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2004 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein

provided. No holder or holders of the Series 2004 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2004 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2004 A Bonds shall be secured 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 2004 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 2004 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2004 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2004 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2004 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2004 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2004 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2004 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2004 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Harrison County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, _____, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2004.

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

Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2004, and a Supplemental Resolution duly adopted by the Issuer on _____, 2004 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH (1) THE LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT WATERWORKS SYSTEM REVENUE BONDS, SERIES A, DATED DECEMBER 16, 1966, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $330,000 AND RE-DESIGNATED BY THE ISSUER IN THE BOND LEGISLATION AS THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1966 (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 1966 BONDS"); AND (2) THE LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1974, DATED MAY 27, 1976, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $305,000 AND RE-DESIGNATED BY THE ISSUER IN THE BOND LEGISLATION AS THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1974 (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 1974 BONDS"). THE SERIES 1966 BONDS AND THE SERIES 1974 BONDS ARE REFERRED TO AS 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 2004 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and 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, except from said special fund provided from the Net Revenues, the monies in the Series 2004 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any

year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2004 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

In accordance with the requirements of the United States Department of Agriculture for the issuance of parity obligations, the Bonds will be in default should any proceeds of the Bonds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity.

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

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

IN WITNESS WHEREOF, GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 2004.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2004 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2004.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

(Form of)

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2004 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous 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, is hereby approved and incorporated into this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created (or continued) and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

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

(2) Operation and Maintenance Fund (established by the Prior Resolutions);

(3) Repair and Replacement Fund (established by the Prior Resolutions); and

(4) Series 2004 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with 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 2004 A Bonds Sinking Fund; and

(2) Series 2004 A Bonds Reserve Account.

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

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the National Finance

Office, the amounts required to pay interest on the Prior Bonds, as required by the Prior Resolutions.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and (i) remit to the National Finance Office the amounts required to pay principal of the Prior Bonds, as required by the Prior Resolutions; and (ii) remit to the Commission, commencing 3 months prior to the first date of payment of principal of the Series 2004 A Bonds, for deposit in the Series 2004 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2004 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 2004 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and (i) remit to the Depository Bank, the amounts required by the Prior Resolutions for deposit in the respective Reserve Accounts for the Prior Bonds; and (ii) remit to the Commission, commencing 3 months prior to the first date of payment of principal of the Series 2004 A Bonds, if not fully funded upon issuance of the Series 2004 A Bonds, for deposit in the Series 2004 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2004 A Bonds Reserve Requirement, until the amount in the Series 2004 A Bonds Reserve Account equals the Series 2004 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2004 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2004 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Repair and Replacement Fund, the amounts required by the Prior Resolutions and 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 Repair 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 Repair 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 Repair and Replacement Fund.

Monies in the Series 2004 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2004 A Bonds as the same shall become due. Monies in the Series 2004 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2004 A Bonds as the same shall come due, when other monies in the Series 2004 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account, shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2004 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2004 A Bonds, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2004 A Bonds Reserve Account which result in a reduction in the balance therein to below the 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 2004 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve accounts in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2004 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2004 A Bonds and the Prior Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2004 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if 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 account payments with respect to the Series 2004 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

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

D. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and

there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the respective parties 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 all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2004 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2004 A Bonds, there shall first be deposited with the Commission in the Series 2004 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2004 A Bonds for the period commencing on the date of issuance of the Series 2004 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2004 A Bonds, there shall be deposited with the Commission in the Series 2004 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2004 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2004 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2004 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2004 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2004 A Bonds shall be applied as directed by the Council.

The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2004 A Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

(c) Each of such costs has been otherwise properly incurred; and

(d) Payment for each of the items proposed is then due and owing.

The Issuer shall expend all proceeds of the Series 2004 A Bonds within 3 years of the date of issuance of the Council's bonds, the proceeds of which were used to make the loan to the Issuer.

Pending such application, monies in the Series 2004 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2004 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2004 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2004 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2004 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2004 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2004 A Bonds shall be secured 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 2004 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. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Final Order of the Public Service Commission of West Virginia entered August 2, 2002, in Case No. 02-0491-PWD-30B, and such rates are hereby adopted.

So long as the Series 2004 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth

in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2004 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2004 A Bonds and the Prior Bonds are outstanding and except as otherwise required by law or with the written consent of the Council, the Authority and the holders of the Prior Bonds, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2004 A Bonds, immediately be remitted to the Commission for deposit in the Series 2004 A Bonds Sinking Fund and applied to the payment of principal of and interest, if any, on the Series 2004 A Bonds. Any balance remaining after the payment of the Series 2004 A Bonds and interest, if any, thereon shall be remitted to the 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 Repair and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Repair and Replacement Fund. The payment of such proceeds into the Repair and Replacement Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation. No sale, lease

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

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2004 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2004 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2004 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2004 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2004 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the Council prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, 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 2004 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2004 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the 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 are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues for the Fiscal Year following the year in which such Parity Bonds are to be issued shall be at least 120% of the average annual debt service requirements on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and

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

The foregoing limitation may be waived or modified by the written consent of the Holders of the Prior Bonds, representing 75% of the then-outstanding principal indebtedness. In the event the foregoing limitation is waived or when the Prior Bonds are no longer outstanding, the following parity requirement shall be met:

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 then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and

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

The "estimated average increased annual Net Revenues 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 2004 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2004 A Bonds.

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

Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of construction of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of construction.

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

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

The Issuer shall file with the Council, the Authority, or any other original purchaser of the Series 2004 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2004 A Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2004 A Bonds, and shall submit said report to the Council and the Authority, or any other original purchaser of the Series 2004 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority and the Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2004 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the 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 2004 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2004 A Bonds, 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 2004 A Bonds Reserve Account and the reserve accounts for obligations on a parity with the Series 2004 A Bonds, 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 2004 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2004 A Bonds, 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 and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a 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 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 Authority and the Council and to any Holder of any Bonds, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and the Council and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached

to the Loan Agreement, and forward a copy of such report to the Authority and the Council by the 10th day of each month.

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

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

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by

law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. Except as required by law, the Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. 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 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 Repair 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 Repair and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

(4) FLOOD INSURANCE, 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.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

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

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the Council and the Issuer shall verify such insurance prior to commencement of construction. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling or building intended to be served by the System to connect thereto.

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project, the operation of the System and all approvals for issuance of the Bonds required by State law, with all requisite appeal periods having expired without successful appeal.

Section 7.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2004 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2004 A Bonds during the term thereof is, under the terms of the Series 2004 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2004 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2004 A Bonds during the term thereof is, under the terms of the Series 2004 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2004 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2004 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of the portion of the Project to which such Private Business Use is related. All of the foregoing shall be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Series 2004 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2004 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2004 A Bonds and the interest thereon including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2004 A Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2004 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2004 A Bonds and shall be on a parity with 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. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority.

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

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2004 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2004 A Bonds held in "contingency" as set forth in the respective schedules attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2004 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any 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, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The 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 2004 A Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2004 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2004 A Bonds as a condition to issuance of the Series 2004 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 2004 A Bonds as may be necessary in order to maintain the status of the Series 2004 A Bonds as public purpose 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 2004 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the Council, from which the proceeds of the Series 2004 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the Council, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2004 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 2004 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2004 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2004 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2004 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond;

(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 under the Prior Bonds or the Prior Resolutions.

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 2004 A Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

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

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2004 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other 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 2004 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2004 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2004 A Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2004 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2004 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2004 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively 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 exclusion of interest, if any, on the Series 2004 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2004 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this 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 2004 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed. 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 Resolution

and the Prior Resolutions, the Prior Resolutions 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.

Section 11.07. Public Notice of Proposed Financing. Prior to making formal application to the Public Service Commission of West Virginia for a Certificate of Public Convenience and Necessity and adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation in each municipality in Greater Harrison County Public Service District and within the boundaries of the District, a Class II legal advertisement stating:

(a) The maximum amount of the Series 2004 A Bonds to be issued;

(b) The maximum interest rate and terms of the Series 2004 A Bonds authorized hereby;

(c) The public service properties to be acquired or constructed and the cost of the same;

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

(e) The date that the formal application for a certificate of public convenience and necessity is to be filed with the Public Service Commission of West Virginia.

Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 21st day of July, 2004.

Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT on the 21st day of July, 2004.

Dated: July 27, 2004.

[SEAL]

Secretary

06/25/04
352650.00002

EXHIBIT A

Loan Agreement included in bond transcript as Documents 3 and 4.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISIONS, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Greater Harrison County Public Service District (the "Issuer") has duly and officially adopted a bond resolution on July 21, 2004 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF $703,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND

DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds"), in the aggregate principal amount not to exceed $703,000 and has authorized the execution and delivery of the loan agreement relating to the Series 2004 A Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13A, and Chapter 31, Article 15A 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 provisions, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $703,000. The Series 2004 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2044, and shall bear no interest. The principal of the Series 2004 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2006, and maturing June 1, 2044, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2004 A Bonds. The Series 2004 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2004 A Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the 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 Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the 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 Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate Harrison County Bank, Lost Creek, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2004 A Bonds proceeds in the amount of -0- shall be deposited in the Series 2004 A Bonds Sinking Fund, as capitalized interest. Series 2004 A Bonds proceeds in the amount of -0- shall be deposited in the Series 2004 A Bonds Reserve Account.

Section 8. The balance of the proceeds of the Series 2004 A Bonds shall be deposited in or credited to the Series 2004 A Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 9. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about July 27, 2004, to the Authority pursuant to the Loan Agreement.

Section 10. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 11. 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 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 12. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project and the Chairman is hereby authorized and directed to execute and deliver all such contracts.

Section 13. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 21st day of July, 2004.

GREATER HARRISON COUNTY PUBLIC
SERVICE DISTRICT

By: William L. Coffindaffer, Jr.
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Greater Harrison County Public Service District on the 21st day of July, 2004.

Dated: July 27, 2004.

[SEAL]

Secretary

07/13/05
352650.00002

IC-1
(06/06/02)

LOAN AGREEMENT

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

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT
(Governmental Agency)

W I T N E S S E T H:

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

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

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

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

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

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

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

ARTICLE I

Definitions

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE II

The Project and the System

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

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property or any interest therein is approved by the Authority and Council.

2.4 The Governmental Agency agrees that the Authority and the Council and their duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental

Agency further agrees that the Authority and the Council and their duly authorized agents and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the pertinent provisions of the Act.

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

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

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of

Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

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

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

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

(c) The Governmental Agency shall either have received bids or entered into contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan will refund an interim construction financing, the Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A;

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

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

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

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

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

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

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

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling

all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

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

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

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues shall be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

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

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

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

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

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

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

on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal 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 and the Council, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Loan Agreement and that the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Governmental Agency shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof;

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

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

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

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

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month;

(xviii) That, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Governmental Agency will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action 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 State's general obligation bonds or any bonds secured by the Local Bonds;

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and the Council, the Project is

adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

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

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

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

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the "West Virginia Jobs Act") and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Governmental Agency shall provide the Council and the Authority with a certificate stating that (I) the Governmental Agency will comply with all the requirements of the West Virginia Jobs Act; (II) the Governmental Agency has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (III) the Governmental Agency has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (IV) the Governmental Agency will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation,

following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Governmental Agency is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

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

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

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

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

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

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

ARTICLE V

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

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

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

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

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority and the Council 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 and the Council shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and the Council by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act or this Loan Agreement.

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

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

6.4 The Governmental Agency hereby agrees to give the Authority and the Council prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

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

ARTICLE VII

Miscellaneous

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

7.2 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be

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

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

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

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

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

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

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

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

7.10 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairperson
Date: July 27, 2004

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Director
Date: July 27, 2004

Attest:

_____
Its: Secretary-Treasurer

000832/00466
07/09/04

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

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

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by [DEP/BPH/PSC] and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least ___years if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing

set forth in the Schedule B attached hereto as Exhibit A and my firm[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/BPH/PSC] and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof, [2]the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project set forth in the Schedule B attached hereto and approved by the Council; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

WITNESS my signature and seal on this ____ day of _____, ___.

[SEAL]

_____

By: _____
West Virginia License No. _____

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[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 Infrastructure and
Jobs Development Council
300 Summers Street, Suite 980
Charleston, West Virginia 25301

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

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, _____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, _____ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning _____, 1, _____, and ending _____, 1, _____, as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the

Governmental Agency on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

3. The Governmental Agency is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Governmental Agency and constitute valid and binding obligations of the Governmental Agency, enforceable against the Governmental Agency in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

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

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

EXHIBIT C

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
180 Association Drive
Charleston, WV 25311

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	$____
Principal	$____
Total:	$____
Reserve Account:	$____

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $703,000
Purchase Price of Local Bonds $703,000

The Local Bonds shall bear no interest. Commencing March 1, 2006, principal of the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall submit its payments monthly to the Commission which will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

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

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Governmental Agency:

1. Water Revenue Bonds, Series 1966 (United States Department of Agriculture), dated December 16, 1966, issued in the original principal amount of $330,000.

2. Water Revenue Bonds, Series 1974 (United States Department of Agriculture), dated May 27, 1976, issued in the original principal amount of $305,000.

$703,000

Greater Harrison County Public Service District
40 Years, 0% Interest Rate
Closing Date: July 27, 2004

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Total P+I
09/01/2004	-	-	-
12/01/2004	-	-	-
03/01/2005	-	-	-
06/01/2005	-	-	-
09/01/2005	-	-	-
12/01/2005	-	-	-
03/01/2006	4,564.94	-	4,564.94
06/01/2006	4,564.94	-	4,564.94
09/01/2006	4,564.94	-	4,564.94
12/01/2006	4,564.94	-	4,564.94
03/01/2007	4,564.94	-	4,564.94
06/01/2007	4,564.94	-	4,564.94
09/01/2007	4,564.94	-	4,564.94
12/01/2007	4,564.94	-	4,564.94
03/01/2008	4,564.94	-	4,564.94
06/01/2008	4,564.94	-	4,564.94
09/01/2008	4,564.94	-	4,564.94
12/01/2008	4,564.94	-	4,564.94
03/01/2009	4,564.94	-	4,564.94
06/01/2009	4,564.94	-	4,564.94
09/01/2009	4,564.94	-	4,564.94
12/01/2009	4,564.94	-	4,564.94
03/01/2010	4,564.94	-	4,564.94
06/01/2010	4,564.94	-	4,564.94
09/01/2010	4,564.94	-	4,564.94
12/01/2010	4,564.94	-	4,564.94
03/01/2011	4,564.94	-	4,564.94
06/01/2011	4,564.94	-	4,564.94
09/01/2011	4,564.94	-	4,564.94
12/01/2011	4,564.94	-	4,564.94
03/01/2012	4,564.94	-	4,564.94
06/01/2012	4,564.94	-	4,564.94
09/01/2012	4,564.94	-	4,564.94
12/01/2012	4,564.94	-	4,564.94
03/01/2013	4,564.94	-	4,564.94
06/01/2013	4,564.94	-	4,564.94
09/01/2013	4,564.94	-	4,564.94
12/01/2013	4,564.94	-	4,564.94
03/01/2014	4,564.94	-	4,564.94
06/01/2014	4,564.94	-	4,564.94
09/01/2014	4,564.94	-	4,564.94
12/01/2014	4,564.94	-	4,564.94
03/01/2015	4,564.94	-	4,564.94
06/01/2015	4,564.94	-	4,564.94

$703,000

Greater Harrison County Public Service District
40 Years, 0% Interest Rate
Closing Date: July 27, 2004

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Total P+I
09/01/2015	4,564.94	-	4,564.94
12/01/2015	4,564.94	-	4,564.94
03/01/2016	4,564.94	-	4,564.94
06/01/2016	4,564.94	-	4,564.94
09/01/2016	4,564.94	-	4,564.94
12/01/2016	4,564.94	-	4,564.94
03/01/2017	4,564.94	-	4,564.94
06/01/2017	4,564.94	-	4,564.94
09/01/2017	4,564.94	-	4,564.94
12/01/2017	4,564.94	-	4,564.94
03/01/2018	4,564.94	-	4,564.94
06/01/2018	4,564.94	-	4,564.94
09/01/2018	4,564.94	-	4,564.94
12/01/2018	4,564.94	-	4,564.94
03/01/2019	4,564.94	-	4,564.94
06/01/2019	4,564.94	-	4,564.94
09/01/2019	4,564.94	-	4,564.94
12/01/2019	4,564.94	-	4,564.94
03/01/2020	4,564.94	-	4,564.94
06/01/2020	4,564.94	-	4,564.94
09/01/2020	4,564.94	-	4,564.94
12/01/2020	4,564.94	-	4,564.94
03/01/2021	4,564.94	-	4,564.94
06/01/2021	4,564.94	-	4,564.94
09/01/2021	4,564.94	-	4,564.94
12/01/2021	4,564.94	-	4,564.94
03/01/2022	4,564.94	-	4,564.94
06/01/2022	4,564.94	-	4,564.94
09/01/2022	4,564.94	-	4,564.94
12/01/2022	4,564.94	-	4,564.94
03/01/2023	4,564.94	-	4,564.94
06/01/2023	4,564.94	-	4,564.94
09/01/2023	4,564.94	-	4,564.94
12/01/2023	4,564.94	-	4,564.94
03/01/2024	4,564.94	-	4,564.94
06/01/2024	4,564.94	-	4,564.94
09/01/2024	4,564.94	-	4,564.94
12/01/2024	4,564.94	-	4,564.94
03/01/2025	4,564.94	-	4,564.94
06/01/2025	4,564.94	-	4,564.94
09/01/2025	4,564.93	-	4,564.93
12/01/2025	4,564.93	-	4,564.93
03/01/2026	4,564.93	-	4,564.93
06/01/2026	4,564.93	-	4,564.93

$703,000

Greater Harrison County Public Service District
40 Years, 0% Interest Rate
Closing Date: July 27, 2004

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Total P+I
09/01/2026	4,564.93	-	4,564.93
12/01/2026	4,564.93	-	4,564.93
03/01/2027	4,564.93	-	4,564.93
06/01/2027	4,564.93	-	4,564.93
09/01/2027	4,564.93	-	4,564.93
12/01/2027	4,564.93	-	4,564.93
03/01/2028	4,564.93	-	4,564.93
06/01/2028	4,564.93	-	4,564.93
09/01/2028	4,564.93	-	4,564.93
12/01/2028	4,564.93	-	4,564.93
03/01/2029	4,564.93	-	4,564.93
06/01/2029	4,564.93	-	4,564.93
09/01/2029	4,564.93	-	4,564.93
12/01/2029	4,564.93	-	4,564.93
03/01/2030	4,564.93	-	4,564.93
06/01/2030	4,564.93	-	4,564.93
09/01/2030	4,564.93	-	4,564.93
12/01/2030	4,564.93	-	4,564.93
03/01/2031	4,564.93	-	4,564.93
06/01/2031	4,564.93	-	4,564.93
09/01/2031	4,564.93	-	4,564.93
12/01/2031	4,564.93	-	4,564.93
03/01/2032	4,564.93	-	4,564.93
06/01/2032	4,564.93	-	4,564.93
09/01/2032	4,564.93	-	4,564.93
12/01/2032	4,564.93	-	4,564.93
03/01/2033	4,564.93	-	4,564.93
06/01/2033	4,564.93	-	4,564.93
09/01/2033	4,564.93	-	4,564.93
12/01/2033	4,564.93	-	4,564.93
03/01/2034	4,564.93	-	4,564.93
06/01/2034	4,564.93	-	4,564.93
09/01/2034	4,564.93	-	4,564.93
12/01/2034	4,564.93	-	4,564.93
03/01/2035	4,564.93	-	4,564.93
06/01/2035	4,564.93	-	4,564.93
09/01/2035	4,564.93	-	4,564.93
12/01/2035	4,564.93	-	4,564.93
03/01/2036	4,564.93	-	4,564.93
06/01/2036	4,564.93	-	4,564.93
09/01/2036	4,564.93	-	4,564.93
12/01/2036	4,564.93	-	4,564.93
03/01/2037	4,564.93	-	4,564.93
06/01/2037	4,564.93	-	4,564.93

$703,000

Greater Harrison County Public Service District
40 Years, 0% Interest Rate
Closing Date: July 27, 2004

Debt Service Schedule

Part 4 of 4

Date	Principal	Coupon	Total P+I
09/01/2037	4,564.93	-	4,564.93
12/01/2037	4,564.93	-	4,564.93
03/01/2038	4,564.93	-	4,564.93
06/01/2038	4,564.93	-	4,564.93
09/01/2038	4,564.93	-	4,564.93
12/01/2038	4,564.93	-	4,564.93
03/01/2039	4,564.93	-	4,564.93
06/01/2039	4,564.93	-	4,564.93
09/01/2039	4,564.93	-	4,564.93
12/01/2039	4,564.93	-	4,564.93
03/01/2040	4,564.93	-	4,564.93
06/01/2040	4,564.93	-	4,564.93
09/01/2040	4,564.93	-	4,564.93
12/01/2040	4,564.93	-	4,564.93
03/01/2041	4,564.93	-	4,564.93
06/01/2041	4,564.93	-	4,564.93
09/01/2041	4,564.93	-	4,564.93
12/01/2041	4,564.93	-	4,564.93
03/01/2042	4,564.93	-	4,564.93
06/01/2042	4,564.93	-	4,564.93
09/01/2042	4,564.93	-	4,564.93
12/01/2042	4,564.93	-	4,564.93
03/01/2043	4,564.93	-	4,564.93
06/01/2043	4,564.93	-	4,564.93
09/01/2043	4,564.93	-	4,564.93
12/01/2043	4,564.93	-	4,564.93
03/01/2044	4,564.93	-	4,564.93
06/01/2044	4,564.93	-	4,564.93
Total	**$703,000.00**	**-**	**$703,000.00**

Yield Statistics

Bond Year Dollars	$14,565.76
Average Life	20.719 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	9.77E-11
Bond Yield for Arbitrage Purposes	9.77E-11
All Inclusive Cost (AIC)	9.77E-11

IRS Form 8038

Net Interest Cost	-
Weighted Average Maturity	20.719 Years

SCHEDULE Z

None.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
10-7-02

Entered: September 20, 2002

CASE NO. 01-0040-PWD-CN

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public utility.
Application for a certificate of convenience and necessity to construct and install a new water line, a water storage tank with tank foundation, a booster station, a telemetry system and a pressure reading station in Harrison County.

RECOMMENDED DECISION

PROCEDURE

On March 25, 2002, the Greater Harrison County Public Service District filed a duly verified application for a certificate of convenience and necessity to construct and operate certain additions and improvements to its public water system in the Johnstown area of Harrison County, West Virginia.

The Greater Harrison County Public Service District (District or Applicant) estimated that the proposed construction will cost approximately $703,000, which is proposed to be financed by a loan from the West Virginia Infrastructure and Jobs Development Council (WVIJDC) in the amount of $703,000 at 0% interest with a term of 40 years.

This matter had been filed with the Public Service Commission for prefiling notice on January 11, 2001.

On March 22, 2001, Commission Staff filed its Further Joint Staff Memorandum in this matter. Staff stated that this proposed project involves the installation of over four miles of six-inch water line, an eighty (80) gallon per minute booster station, fire hydrants, a 47,000 gallon storage facility and other necessary valves and appurtenances to serve fifty-two (52) new customers. The need in the area to be served is great. Increased and consolidated water rates in support of this project had been previously approved in a recent Rule 42T rate case filed by the District. As part of the Further Joint Staff Memorandum, Staff filed an additional data request in this matter.

On March 25, 2002, the Public Service Commission entered a formal Notice of Filing in this matter, requiring the District to provide public legal notice of this application by causing to be published a copy of said Notice once in a newspaper duly qualified by the Secretary of State,

published and of general circulation in Harrison County, West Virginia, and to make due return of proper certification of publication. The Notice of Filing made provision for the filing of protest, objection or intervention within thirty (30) days following the date of publication. In the absence of publication, the Commission gave notice that it would waive further formal proceedings and enter a decision based upon the application and information submitted therewith.

On April 25, 2002, the Applicant filed a duly executed Publisher's Certificate demonstrating publication of the Notice of Filing on April 5, 2002, in The Exponent-Telegram, a newspaper qualified by the Secretary of State, published and of general circulation in Harrison County, West Virginia, all in accordance with said Notice.

As of the date of this Recommended Decision, there have been no statements of protest, objection or intervention filed in this matter.

By a Commission Referral Order entered May 15, 2002, this certificate application was referred to the Division of Administrative Law Judges for further proceedings with a decision due date of October 21, 2002.

On June 17, 2002, a Procedural Order was entered which scheduled this matter for hearing to be held on August 6, 2002, in Clarksburg, West Virginia.

On July 8, 2002, the District, by counsel, filed certain additional permits and public land use agreements previously requested by Commission Staff.

Also, on July 8, 2002, the District filed a formal request for a waiver of the requirement to file a Rule 42 financial exhibit in this matter.

On July 12, 2002, Commission Staff filed its Final Joint Staff Memorandum in this matter containing Technical Staff's recommendations. Staff stated that this project consists of a water main extension of approximately 4.6 miles along county route 48 and into the Johnstown community. The project will bring a public water supply and fire protection to 52 new customers in an area badly in need of reliable and safe drinking water. The cost per customer is $14,346, and customer density is 10.8 customers per mile. The City of Clarksburg will provide the supply of finished water for this extension. The City has significant excess capacity and the District's existing water purchase agreement supports the additional demand. Technical Staff recommended that this application be approved from an engineering standpoint.

On August 1, 2002, Commission Staff filed a second Final Joint Staff Memorandum containing the recommendations of the Utilities Analyst in this matter. This project is estimated to cost $702,924 and will be funded by a loan from the WVIJDC in the amount of $703,000, at an interest rate of 0% for a term of forty (40) years. The District did not request a rate increase as part of this certificate case; therefore, Staff does not object to the District's request for a waiver of the requirement to file a Rule 42 financial exhibit. The District's current

Commission-approved rates are sufficient to support this project and, consequently, the project is convenient. Staff again recommended that this application be approved.

The hearing convened as scheduled with all parties in attendance. The Applicant, Greater Harrison County Public Service District, was present in the person of its Operations Manager, William Hoover, and was represented by its attorney, Thomas R. Michael. The Staff of the Public Service Commission was present and represented by Staff Attorney Cecelia Jarrell. On August 13, 2002, an accurate transcript consisting of six (6) pages of discussion was filed with the Commission.

At hearing, the parties announced that the District was in agreement with the Staff reports and recommendations previously filed in this matter and that no rate increase associated with this particular project was requested. (Tr., pp. 5-6).

Consequently, the application filed on March 25, 2002, by the Greater Harrison County Public Service District, shall be approved and the District shall be granted a certificate of convenience and necessity to construct and operate the water extension detailed therein.

FINDINGS OF FACT

1. On March 25, 2002, the Greater Harrison County Public Service District filed a duly verified application for a certificate of convenience and necessity to construct and operate certain additions and improvements to its public water system in the Johnstown area of Harrison County, West Virginia. (See Application filed March 25, 2002).

2. The Greater Harrison County Public Service District estimated that the proposed construction will cost approximately $703,000, which is proposed to be financed by a loan from the West Virginia Infrastructure and Jobs Development Council in the amount of $703,000, at 0% interest with a term of 40 years. (See Final Joint Staff Memorandum filed August 1, 2002).

3. This matter had been filed with the Public Service Commission for prefiling notice on January 11, 2001. (See letter filed January 11, 2001).

4. Pursuant to a Commission Order entered January 11, 2001, the Applicant caused to be published for public legal notice of the prefiling a copy of the Commission's Order on January 19 and 26, 2001, in The Clarksburg Exponent, a newspaper duly qualified by the Secretary of State, published and of general circulation in Harrison County, West Virginia, all in accordance with the Commission Order. (See Commission Order entered January 11, 2001; Publisher's Certificate filed February 5, 2001).

5. On March 22, 2001, Commission Staff filed its Further Joint Staff Memorandum in this matter. Staff stated that this proposed project involves the installation of over four miles of six-inch water line, an eighty (80) gallon per minute booster station, fire hydrants, a 47,000

gallon storage facility and other necessary valves and appurtenances to serve fifty-two (52) new customers. The need in the area to be served is great. Increased and consolidated water rates in support of this project had been previously approved in a recent Rule 42T rate case filed by the District. (See Further Joint Staff Memorandum filed March 27, 2001).

6. On March 25, 2002, the Public Service Commission entered a formal Notice of Filing in this matter, requiring the District to provide public legal notice of this application by causing to be published a copy of said Notice once in a newspaper duly qualified by the Secretary of State, published and of general circulation in Harrison County, West Virginia, and to make due return of proper certification of publication. The Notice of Filing made provision for the filing of protest, objection or intervention within thirty (30) days following the date of publication. In the absence of publication, the Commission gave notice that it would waive further formal proceedings and enter a decision based upon the application and information submitted therewith. (See Notice of Filing entered March 25, 2002).

7. On April 25, 2002, the Applicant filed a duly executed Publisher's Certificate demonstrating publication of the Notice of Filing on April 5, 2002, in The Exponent-Telegram, a newspaper qualified by the Secretary of State, published and of general circulation in Harrison County, West Virginia, all in accordance with said Notice. (See Publisher's Certificate filed April 25, 2002).

8. As of the date of this Recommended Decision, there have been no statements of protest, objection or intervention filed in this matter. (See Commission case file generally).

9. The District has filed a formal request for a waiver of the requirement to file a Rule 42 financial exhibit in this matter. (See letter filed July 8, 2002).

10. All required permits and public land use agreements have been obtained and filed in this matter. (See Application; documents filed July 8, 2002; Final Joint Staff Memorandum filed July 12, 2002).

11. Pursuant to its review of this application and all supporting documentation, Commission Staff has stated that this project is both necessary and convenient and, therefore, has recommended that this application be approved. (See Final Joint Staff Memoranda filed on July 12 and August 1, 2002).

12. This project will not require an increase in rates or charges, and Commission Staff has no objection to the District's request for a waiver of the requirement to file a Rule 42 financial exhibit in this case. (See Final Joint Staff Memorandum filed August 1, 2002).

13. The District has agreed to the Staff recommendations previously filed in this matter, and has verified that no rate increase is required by this project. (See Tr., pp. 5-6).

CONCLUSIONS OF LAW

1. Under the facts and circumstances of this case and the recommendations of Commission Staff, it is reasonable to approve the application filed on March 25, 2002, by the Greater Harrison County Public Service District, and to issue a certificate of convenience and necessity to the District to construct, operate and maintain the project detailed therein.

2. It is also reasonable to grant the request of the District for a waiver of the requirements to file a Rule 42 financial exhibit in this matter.

ORDER

IT IS, THEREFORE, ORDERED that the application filed on March 25, 2002, by the Greater Harrison County Public Service District shall be approved, and that a certificate of convenience and necessity shall be granted to the District to construct, operate and maintain the water extension project detailed therein.

IT IS FURTHER ORDERED that the Greater Harrison County Public Service District shall be authorized to borrow, execute and close the project funding loan from the West Virginia Infrastructure & Jobs Development Council in the amount of $703,000, at an interest rate of 0% for a term not to exceed forty (40) years.

IT IS FURTHER ORDERED that should actual bids exceed the estimated construction cost, or if the plans, scope, terms or conditions of financing of this project change, the District shall submit said changes to the Public Service Commission for subsequent review and approval, prior to commencing construction.

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

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to

make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Thomas N. Trent
Administrative Law Judge

TNT:dfs
010040aa.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 2nd day of August, 2002.

CASE NO. 02-0491-PWD-30B

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public utility.

Rule 30B application to pass through increased costs of purchased water from the Clarksburg Water Board to the District's water customers.

COMMISSION ORDER

On April 15, 2002, the Greater Harrison County Public Service District (District) filed an application for a rate increase, pursuant to Rule 30B of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle (Tariff Rules). Tariff Rule 30B, among other things, permits a water utility that purchases water services from another public utility, to seek permission to pass-through increased costs of water to its customers.

In this filing, the District seeks to recover the increased costs of water charged by the Clarksburg Water Board (City). The City's new rate became effective January 11, 2002.

On May 28, 2002, Commission Staff (Staff) filed an "Initial and Final Joint Staff Memorandum" in this case. Staff recommended that each of the District's rate blocks be increased by $0.22 per 1,000 gallons per month, to permit the District to recover the City's increased water charges. Staff's recommended tariff is attached to this Order as Attachment A. Staff recommended that the District be required to publish the Staff recommended tariff. Staff additionally recommended that the District add a provision to its tariff to provide customers with leaks on their side of the meter with a lower rate of $3.40 per thousand gallons. Attached to Staff's memorandum was a copy of Staff's recommended revised tariff incorporating the recommended increased water rates and charges and leak adjustment provision.

By an Order issued June 13, 2002, the Commission approved the Staff recommended rates as interim rates, and required District to publish notice of the Staff recommended rates, including the leak adjustment rate. The notice provided a twenty (20) day period in which customers could protest the increased rates. The Commission approved the interim rates. The rates were subject to refund if substantial protests were received in response to the publication and the Commission found, upon further review, that the interim rates were not justified. The Commission stated that it would issue a further order after expiration of the protest period provided in the notice.

On July 12, 2002, the District filed an affidavit of publication evidencing that the required notice was published in the *Exponent-Telegram* on June 20 and 27, 2002. The protest period expired on July 17, 2002.

As of the date of this Order, no protests have been received.

DISCUSSION

The Commission finds that the Staff recommended rates are reasonable and will allow the District to recover its increased costs to purchase water from the Clarksburg Water Board. The interim status of the rates attached as Appendix B to the June 13, 2002, Order shall be removed and the rates shall be finally approved.

FINDINGS OF FACT

1. The District published notice of the interim rates approved in the Commission's June 13, 2002, Order.

2. No protests have been filed.

CONCLUSIONS OF LAW

1. The Staff recommended rates are reasonable and will allow District to recover its increased costs to purchase water from the Clarksburg Water Board.

2. The interim status of the rates attached as Appendix B to the June 13, 2002, Order should be removed and the rates finally approved.

Public Service Commission
of West Virginia

ORDER

IT IS THEREFORE ORDERED that the rates attached hereto as Attachment A, are hereby adopted for use by the District for service rendered on and after the date of this Order.

IT IS FURTHER ORDERED that, within thirty (30) days of the date of this Order, the District shall file five (5) copies of its revised tariff with the Commission.

IT IS FURTHER ORDERED that upon entry hereof, this case shall be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

JJW/lfg
020491ca.wpd

A True Copy, Teste:

Sandra Squire

Sandra Squire
Executive Secretary

Public Service Commission
of West Virginia
Charleston

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT - WATER
CASE NO. 02-0491-PWD-30B

APPROVED RATES

APPLICABILITY

Applicable in the entire area served by the District except for the territory formerly served by Quiet Dell Public Service District in the Craigmoor and Romines Mills extension areas

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service

(I) RATES

First	3,000 gallons used per month	$5.91 per 1,000 gallons
Next	3,000 gallons used per month	$5.86 per 1,000 gallons
All over	6,000 gallons used per month	$5.80 per 1,000 gallons

(I) MINIMUM CHARGE

No bill will be rendered for less than the following amounts according to the size of the meter installed, to wit:

5/8	inch meter	$ 17.07 per month
3/4	inch meter	$ 25.61 per month
1	inch meter	$ 42.68 per month
1 - ½	inch meter	$ 85.35 per month
2	inch meter	$ 136.56 per month
3	inch meter	$ 256.05 per month
4	inch meter	$ 426.75 per month
6	inch meter	$ 853.50 per month
8	inch meter	$1,365.60 per month

(N) The above minimum charges are subject to an additional $.22 per thousand gallons used per month.

DELAYED PAYMENT PENALTY

The above tariff is net. On all current usage billings not paid within twenty (20) days, a ten percent (10%) charge will be added to the net current amount unpaid.

Public Service Commission
of West Virginia
Charleston

This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

DISCONTINUANCE OF SERVICE

If any bill is not paid within thirty days of the billing date, water service for the customer shall be discontinued after having first complied with the Public Service Commission Rules and Regulations for the Government of Water Utilities.

RECONNECTION CHARGE

On shutting off the service, water service shall not be restored unt6il all past due water bills have been paid in full and all accrued penalties, plus a reconnection charge of $25.00 have been paid.

TAP FEE

$250.00

(I) LEAK ADJUSTMENT

$3.40 per 1,000 gallons. To be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. The rate is to be applied to the excess consumption above the customer's historical average usage.

(I) SALES FOR RESALE RATE

Available for all water delivered to water utilities for resale

Gallons metered	$3.58 per 1,000 gallons

(I) STANDBY SERVICE

Service under this tariff is available throughout the entire territory served by the District to a new or prospective resale customer that has an alternative source of supply. Standby service will be available on a firm basis only.

Per connection per month	$6.00
Gallons metered	$3.51 per 1,000 gallons

(I) Indicates Increase
(N) Indicates New

Public Service Commission
of West Virginia

West Virginia Infrastructure & Jobs Development Council

Public Members
Russell L. Isaacs, Chairman
Cottageville
Henry Harmon, Vice Chairman
Hurricane
Dwight Calhoun
Petersburg
William P. Stafford, II, Esq.
Princeton

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone (304) 558-4607
Facsimile (304) 558-4609

Katy Mallory, PE
Executive Secretary

KMallory@ezwv.com

February 6, 2002

Mr. William Coffindaffer, Chairman
Greater Harrison County Public Service District
P.O. Box 190
Highland Dam Road
West Milford, WV 26451

Re: Greater Harrison County PSD
Preliminary Application 2001W-651

Dear Mr. Coffindaffer:

The West Virginia Infrastructure and Jobs Development Council (the "Council"), at its February 6, 2002 meeting, reviewed the Greater Harrison County Public Service District's (the "District") preliminary application regarding its proposed project to extend water to 125 new customers along Brushy Fork, Coplin Run, Moss Run and Beards Run areas.

Based on the findings of the Water Technical Review Committee, the Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The District should carefully review the enclosed comments of the Water Technical Review Committee. The District may need to address certain issues raised in said comments as it proceeds with the Project.

Upon consideration of the preliminary application, the Council recommends that the District pursue a local contribution of $100,000 and it also appears the District may be eligible for Infrastructure assistance of $1,750,000; however, the Council's final decision regarding the utilization of Infrastructure Fund assistance is deferred pending final determination of the Project's eligibility and readiness to proceed, and availability of funds in the Infrastructure Fund. The Project will be placed on the Council's pending list.

If you have any questions regarding this matter, please contact Katy Mallory at 558-4607.

Sincerely,

Russell L. Isaacs

Enclosure
cc: Walt Ivey, PE, BPH (w/o enclosure)
Region VI Planning & Development Council
Chad Riley, Thrasher Engineering, Inc.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 27th day of July, 2004, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of Greater Harrison County Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), of the Issuer, in the principal amount of $703,000, numbered AR-1 (the "Series 2004 A Bonds"), issued as a single, fully registered Bond, and dated July 27, 2004.

2. At the time of such receipt, all the Series 2004 A Bonds had been executed by the Chairman and the Secretary of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2004 A Bonds, of $37,545, being a portion of the principal amount of the Series 2004 A Bonds. The balance of the principal amount of the Series 2004 A Bonds will be advanced by the Authority and the West Virginia Infrastructure and Jobs Development Council to the Issuer as acquisition and construction of the Project progresses.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: Barbara B Meadows
Its: Authorized Representative

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

By: William L. Coffindaffer
Its: Chairman

06/17/04
352650.00002

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 27th day of July, 2004, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of Greater Harrison County Public Service District Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), in the principal amount of $703,000 (the "Series 2004 A Bonds"), dated July 27, 2004 (collectively, the "Bonds"), executed by the Chairman and Secretary of Greater Harrison County Public Service District (the "Issuer") and bearing the official seal of the Issuer authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on July 21, 2004, and a Supplemental Resolution duly adopted by the Issuer on July 21, 2004 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-captioned Bonds, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of a loan agreement for the Series 2004 A Bonds, dated July 27, 2004, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (the "Loan Agreement"); and

(4) Executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Series 2004 A Bonds to the Authority upon payment to the Issuer of the sum of $37,545, representing a portion of the principal amount of the Series 2004 A Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

[Remainder of Page Intentionally Left Blank]

Dated as of the day and year first written above.

GREATER HARRISON COUNTY PUBLIC
SERVICE DISTRICT

By: William L. Coffindaffer
Its: Chairman

06/24/04
352650.00002

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2004 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $703,000

KNOW ALL MEN BY THESE PRESENTS: That on this 27th day of July, 2004, GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Harrison County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of SEVEN HUNDRED THREE THOUSAND DOLLARS ($703,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2006, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated July 27, 2004.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of improvements and extensions to the existing public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes

of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on July 21, 2004, and a Supplemental Resolution duly adopted by the Issuer on July 21, 2004 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH (1) THE LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT WATERWORKS SYSTEM REVENUE BONDS, SERIES A, DATED DECEMBER 16, 1966, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $330,000 AND RE-DESIGNATED BY THE ISSUER IN THE BOND LEGISLATION AS THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1966 (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 1966 BONDS"); AND (2) THE LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1974, DATED MAY 27, 1976, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $305,000 AND RE-DESIGNATED BY THE ISSUER IN THE BOND LEGISLATION AS THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT WATER REVENUE BONDS, SERIES 1974 (UNITED STATES DEPARTMENT OF AGRICULTURE) (THE "SERIES 1974 BONDS"). THE SERIES 1966 BONDS AND THE SERIES 1974 BONDS ARE REFERRED TO AS 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 2004 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and 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, except from said special fund provided from the Net Revenues, the monies in the Series 2004 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by

a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2004 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

In accordance with the requirements of the United States Department of Agriculture for the issuance of parity obligations, the Bonds will be in default should any proceeds of the Bonds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity.

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

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

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Chairman

ATTEST:

Secretary

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2004 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: July 27, 2004.

THE HUNTINGTON NATIONAL BANK,
as Registrar

SPECIMEN

By: _____
Its: Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$ 37,545	July 27, 2004	(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 $

$703,000

Greater Harrison County Public Service District (West Virginia)

40 Years, 0% Interest Rate

Closing Date: July 27, 2004

Debt Service Schedule

Part 1 of 4

Date	Principal	Coupon	Total P+I
09/01/2004	-	-	-
12/01/2004	-	-	-
03/01/2005	-	-	-
06/01/2005	-	-	-
09/01/2005	-	-	-
12/01/2005	-	-	-
03/01/2006	4,564.94	-	4,564.94
06/01/2006	4,564.94	-	4,564.94
09/01/2006	4,564.94	-	4,564.94
12/01/2006	4,564.94	-	4,564.94
03/01/2007	4,564.94	-	4,564.94
06/01/2007	4,564.94	-	4,564.94
09/01/2007	4,564.94	-	4,564.94
12/01/2007	4,564.94	-	4,564.94
03/01/2008	4,564.94	-	4,564.94
06/01/2008	4,564.94	-	4,564.94
09/01/2008	4,564.94	-	4,564.94
12/01/2008	4,564.94	-	4,564.94
03/01/2009	4,564.94	-	4,564.94
06/01/2009	4,564.94	-	4,564.94
09/01/2009	4,564.94	-	4,564.94
12/01/2009	4,564.94	-	4,564.94
03/01/2010	4,564.94	-	4,564.94
06/01/2010	4,564.94	-	4,564.94
09/01/2010	4,564.94	-	4,564.94
12/01/2010	4,564.94	-	4,564.94
03/01/2011	4,564.94	-	4,564.94
06/01/2011	4,564.94	-	4,564.94
09/01/2011	4,564.94	-	4,564.94
12/01/2011	4,564.94	-	4,564.94
03/01/2012	4,564.94	-	4,564.94
06/01/2012	4,564.94	-	4,564.94
09/01/2012	4,564.94	-	4,564.94
12/01/2012	4,564.94	-	4,564.94
03/01/2013	4,564.94	-	4,564.94
06/01/2013	4,564.94	-	4,564.94
09/01/2013	4,564.94	-	4,564.94
12/01/2013	4,564.94	-	4,564.94
03/01/2014	4,564.94	-	4,564.94
06/01/2014	4,564.94	-	4,564.94
09/01/2014	4,564.94	-	4,564.94
12/01/2014	4,564.94	-	4,564.94
03/01/2015	4,564.94	-	4,564.94
06/01/2015	4,564.94	-	4,564.94

$703,000

Greater Harrison County Public Service District (West Virginia)

40 Years, 0% Interest Rate

Closing Date: July 27, 2004

Debt Service Schedule

Part 2 of 4

Date	Principal	Coupon	Total P+I
09/01/2015	4,564.94	-	4,564.94
12/01/2015	4,564.94	-	4,564.94
03/01/2016	4,564.94	-	4,564.94
06/01/2016	4,564.94	-	4,564.94
09/01/2016	4,564.94	-	4,564.94
12/01/2016	4,564.94	-	4,564.94
03/01/2017	4,564.94	-	4,564.94
06/01/2017	4,564.94	-	4,564.94
09/01/2017	4,564.94	-	4,564.94
12/01/2017	4,564.94	-	4,564.94
03/01/2018	4,564.94	-	4,564.94
06/01/2018	4,564.94	-	4,564.94
09/01/2018	4,564.94	-	4,564.94
12/01/2018	4,564.94	-	4,564.94
03/01/2019	4,564.94	-	4,564.94
06/01/2019	4,564.94	-	4,564.94
09/01/2019	4,564.94	-	4,564.94
12/01/2019	4,564.94	-	4,564.94
03/01/2020	4,564.94	-	4,564.94
06/01/2020	4,564.94	-	4,564.94
09/01/2020	4,564.94	-	4,564.94
12/01/2020	4,564.94	-	4,564.94
03/01/2021	4,564.94	-	4,564.94
06/01/2021	4,564.94	-	4,564.94
09/01/2021	4,564.94	-	4,564.94
12/01/2021	4,564.94	-	4,564.94
03/01/2022	4,564.94	-	4,564.94
06/01/2022	4,564.94	-	4,564.94
09/01/2022	4,564.94	-	4,564.94
12/01/2022	4,564.94	-	4,564.94
03/01/2023	4,564.94	-	4,564.94
06/01/2023	4,564.94	-	4,564.94
09/01/2023	4,564.94	-	4,564.94
12/01/2023	4,564.94	-	4,564.94
03/01/2024	4,564.94	-	4,564.94
06/01/2024	4,564.94	-	4,564.94
09/01/2024	4,564.94	-	4,564.94
12/01/2024	4,564.94	-	4,564.94
03/01/2025	4,564.94	-	4,564.94
06/01/2025	4,564.94	-	4,564.94
09/01/2025	4,564.93	-	4,564.93
12/01/2025	4,564.93	-	4,564.93
03/01/2026	4,564.93	-	4,564.93
06/01/2026	4,564.93	-	4,564.93

$703,000
Greater Harrison County Public Service District (West Virginia)
40 Years, 0% Interest Rate
Closing Date: July 27, 2004

Debt Service Schedule

Part 3 of 4

Date	Principal	Coupon	Total P+I
09/01/2026	4,564.93	-	4,564.93
12/01/2026	4,564.93	-	4,564.93
03/01/2027	4,564.93	-	4,564.93
06/01/2027	4,564.93	-	4,564.93
09/01/2027	4,564.93	-	4,564.93
12/01/2027	4,564.93	-	4,564.93
03/01/2028	4,564.93	-	4,564.93
06/01/2028	4,564.93	-	4,564.93
09/01/2028	4,564.93	-	4,564.93
12/01/2028	4,564.93	-	4,564.93
03/01/2029	4,564.93	-	4,564.93
06/01/2029	4,564.93	-	4,564.93
09/01/2029	4,564.93	-	4,564.93
12/01/2029	4,564.93	-	4,564.93
03/01/2030	4,564.93	-	4,564.93
06/01/2030	4,564.93	-	4,564.93
09/01/2030	4,564.93	-	4,564.93
12/01/2030	4,564.93	-	4,564.93
03/01/2031	4,564.93	-	4,564.93
06/01/2031	4,564.93	-	4,564.93
09/01/2031	4,564.93	-	4,564.93
12/01/2031	4,564.93	-	4,564.93
03/01/2032	4,564.93	-	4,564.93
06/01/2032	4,564.93	-	4,564.93
09/01/2032	4,564.93	-	4,564.93
12/01/2032	4,564.93	-	4,564.93
03/01/2033	4,564.93	-	4,564.93
06/01/2033	4,564.93	-	4,564.93
09/01/2033	4,564.93	-	4,564.93
12/01/2033	4,564.93	-	4,564.93
03/01/2034	4,564.93	-	4,564.93
06/01/2034	4,564.93	-	4,564.93
09/01/2034	4,564.93	-	4,564.93
12/01/2034	4,564.93	-	4,564.93
03/01/2035	4,564.93	-	4,564.93
06/01/2035	4,564.93	-	4,564.93
09/01/2035	4,564.93	-	4,564.93
12/01/2035	4,564.93	-	4,564.93
03/01/2036	4,564.93	-	4,564.93
06/01/2036	4,564.93	-	4,564.93
09/01/2036	4,564.93	-	4,564.93
12/01/2036	4,564.93	-	4,564.93
03/01/2037	4,564.93	-	4,564.93
06/01/2037	4,564.93	-	4,564.93

$703,000

Greater Harrison County Public Service District (West Virginia)

40 Years, 0% Interest Rate

Closing Date: July 27, 2004

Debt Service Schedule

Part 4 of 4

Date	Principal	Coupon	Total P+I
09/01/2037	4,564.93	-	4,564.93
12/01/2037	4,564.93	-	4,564.93
03/01/2038	4,564.93	-	4,564.93
06/01/2038	4,564.93	-	4,564.93
09/01/2038	4,564.93	-	4,564.93
12/01/2038	4,564.93	-	4,564.93
03/01/2039	4,564.93	-	4,564.93
06/01/2039	4,564.93	-	4,564.93
09/01/2039	4,564.93	-	4,564.93
12/01/2039	4,564.93	-	4,564.93
03/01/2040	4,564.93	-	4,564.93
06/01/2040	4,564.93	-	4,564.93
09/01/2040	4,564.93	-	4,564.93
12/01/2040	4,564.93	-	4,564.93
03/01/2041	4,564.93	-	4,564.93
06/01/2041	4,564.93	-	4,564.93
09/01/2041	4,564.93	-	4,564.93
12/01/2041	4,564.93	-	4,564.93
03/01/2042	4,564.93	-	4,564.93
06/01/2042	4,564.93	-	4,564.93
09/01/2042	4,564.93	-	4,564.93
12/01/2042	4,564.93	-	4,564.93
03/01/2043	4,564.93	-	4,564.93
06/01/2043	4,564.93	-	4,564.93
09/01/2043	4,564.93	-	4,564.93
12/01/2043	4,564.93	-	4,564.93
03/01/2044	4,564.93	-	4,564.93
06/01/2044	4,564.93	-	4,564.93
Total	**$703,000.00**	**-**	**$703,000.00**

ASSIGNMENT

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

Dated: _____, _____.

_____

SPECIMEN

In the presence of:

_____

07/13/05
352650.00002

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW
Clarksburg Charleston Morgantown Martinsburg Wheeling Huntington

Bank One Center, Seventh Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
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Writer's Contact Information

July 27, 2004

Greater Harrison County Public Service District
Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

Greater Harrison County Public Service District
West Milford, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Greater Harrison County Public Service District (the "Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its $703,000 Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated July 27, 2004, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2006, and maturing June 1, 2044, 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 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of improvements and extensions to the existing public waterworks system of the Issuer (the "Project") and (iii) paying certain costs of issuance and related costs.

TERRALEX

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on July 21, 2004, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 21, 2004 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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

1. The Issuer is a duly created and validly existing public service district, public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the Council and cannot be amended by the Issuer so as to affect adversely the rights of the Authority and the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Prior Bonds, all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are, under the Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Loan Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

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

Very truly yours,

STEPTOE & JOHNSON PLLC

07/13/05
352650.00002

CH671449.1

LAW OFFICES

MICHAEL and KUPEC
228 COURT STREET
CLARKSBURG, WEST VIRGINIA, 26301

THOMAS W. KUPEC
THOMAS R. MICHAEL

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FAX 304-623-1027
tom.michael@citynet.net

July 27, 2004

Greater Harrison County Public Service District
Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

Greater Harrison County Public Service District
West Milford, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Steptoe & Johnson PLLC
Clarksburg, West Virginia

Ladies and Gentlemen:

I am counsel to Greater Harrison County Public Service District, a public service district, in Harrison County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a loan agreement for the Series 2004 A Bonds dated July 27, 2004, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), the Bond Resolution duly adopted by the Issuer on July 21, 2004, as supplemented by the Supplemental Resolution duly adopted by the Issuer on July 21, 2004 (collectively, the "Bond Legislation"), orders of The County Commission of Harrison County relating to the Issuer and the appointment of members of the Public Service Board of the Issuer, and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds of the Issuer (collectively, the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and political subdivision of the State of West Virginia.

2. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

4. The Bond Legislation has been duly adopted by the Issuer and is in full force and effect.

5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or by which the Issuer or its properties are bound 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 and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders, certificates and approvals from The County Commission of Harrison County, the West Virginia Bureau for Public Health, the Council and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on October 10, 2002, in Case No. 01-0040-PWD-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and the financing for the Project and the Final Order of the Public Service Commission entered August 2, 2002, in Case

No. 02-0491-PWD-30B, approving the rates for the System. The time for appeal of such Final Orders has expired prior to the date hereof without any appeal. Such Final Orders remain in full force and effect.

7. The Issuer has duly published a notice of the acquisition and construction of the Project, the issuance of the Bonds and related matters, as required under Chapter 16, Article 13A, Section 25 of the West Virginia Code of 1931, as amended, and has duly complied with the provisions thereof.

8. To the best of 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 Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

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

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

Yours truly,

Thomas R. Michael

Thomas R. Michael

cc: Clay Riley, Thrasher Engineering

LAW OFFICES

MICHAEL and KUPEC
228 COURT STREET
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tom.michael@citynet.net

July 27, 2004

Katy Mallory, P.E., Executive Secretary
West Virginia Infrastructure & Jobs Development Council
300 Summers Street, Suite 980
Charleston, WV 25301

Re: Greater Harrison County Public Service District
Johnstown Water Line Extension Project
IJDC No. 96W-193

FINAL TITLE OPINION

Dear Ms. Mallory:

This firm represents the Greater Harrison County Public Service District with regard to a proposed project to construct a water line extension to the community of Johnstown in Southern Harrison County, and provides this final title opinion on behalf of the Greater Harrison County Public Service District to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council with regard to the Infrastructure Fund financing proposed for the Project. Please be advised of the following:

1. That I am of the opinion that the Greater Harrison County Public Service District is a duly created and existing public service district possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the Project as approved by the West Virginia Bureau for Public Health.

2. That the Greater Harrison County Public Service District has obtained approval for all necessary permits and approvals for the construction of the Project.

3. That I have investigated and ascertained the location of and am familiar with the legal description of the necessary sites, including easements and/or rights of way, required for the Project as set forth in the plans for the Project prepared by Thrasher Engineering, the consulting engineers for the Project.

4. That I have examined the records on file in the Office of the Clerk of the County

Commission of Harrison County, West Virginia, the county in which the Project is to be located, and, in my opinion, the Greater Harrison County Public Service District has acquired legal title or such other estate or interest in all of the necessary site components for the Project, including all easements and/or rights-of-way, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facilities to be constructed.

5. All deeds, easements and rights of way which have been acquired to date by the Greater Harrison County Public Service District have been duly recorded in the aforesaid Clerk's Office in order to protect the legal title to and interest of the Greater Harrison County Public Service District.

If you have any questions regarding any of the information contained in this final title opinion, please contact this office.

Yours truly,

Thomas R. Michael

cc: William Coffindaffer, Chairman, Greater Harrison County Public Service District
John Stump, Esq., Steptoe & Johnson
Clay Riley, Thrasher Engineering

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. RATES
12. PUBLIC SERVICE COMMISSION ORDER
13. SIGNATURES AND DELIVERY
14. BOND PROCEEDS
15. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING
16. SPECIMEN BONDS
17. CONFLICT OF INTEREST
18. PROCUREMENT OF ENGINEERING SERVICES
19. COMPLIANCE WITH WEST VIRGINIA JOBS ACT
20. WATER PURCHASE AGREEMENT
21. EXECUTION OF COUNTERPARTS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Greater Harrison County Public Service District in Harrison County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify in connection with the Issuer's Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), dated the date hereof (collectively, the "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 as set forth in the Bond Resolution of the Issuer duly adopted July 21, 2004, and the Supplemental Resolution duly adopted July 21, 2004 (collectively, the "Bond Legislation").

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

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

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

The Issuer has merged with Lost Creek-Mt. Clare Public Service District, Quiet Dell Public Service District and Valley of Good Hope Public Service District, acquiring all their assets and assuming all their liabilities. Quiet Dell Public Service District and Valley of Good Hope Public Service District had no outstanding bonds. The Issuer has assumed from Lost Creek-Mt. Clare Public Service District certain outstanding bonds, which are re-designated and have the lien positions with respect to the Net Revenues of the merged waterworks system of the Issuer as follows:

Designation	Lien Position
(1) Lost Creek-Mt. Clare Public Service District Waterworks System Revenue Bonds, Series A, dated December 16, 1966, held by the United States Department of Agriculture, issued in the original aggregate principal amount of $330,000 and re-designated by the Issuer as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1966 (United States Department of Agriculture) (the "Series 1966 Bonds").	First Lien
(2) Lost Creek-Mt. Clare Public Service District Water Revenue Bonds, Series 1974, dated May 27, 1976, held by the United States Department of Agriculture, issued in the original aggregate principal amount of $305,000 and re-designated by the Issuer as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1974 (United States Department of Agriculture) (the "Series 1974 Bonds").	First Lien

The Series 1966 Bonds and the Series 1974 Bonds are hereinafter collectively called the "Prior Bonds." The Prior Bonds are secured by a first lien on and a pledge of the Net Revenues of the System, on a parity with each other.

There is an outstanding obligation of the Issuer which does not have a lien on any revenues of the System, nor is it payable from Net Revenues, held by The County Commission of Harrison County, issued in the original aggregate principal amount of $50,000.

The Series 2004 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all respects. The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2004 A Bonds on a parity with the Prior 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. The Issuer is in compliance with the covenants of the Prior Bonds and the Prior Resolutions.

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

Bond Resolution

Supplemental Resolution

Series 2004 A Bond Loan Agreement

Public Service Commission Order

Infrastructure and Jobs Development Council Approval

County Commission Orders Creating and Enlarging the Boundaries of the District and Public Service Commission Order relating thereto

County Commission Orders Appointing Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Affidavit of Publication on Borrowing

Excerpt of Minutes on Organizational Meeting, Adoption of Bond Resolution, Supplemental Resolution, Resolution Approving Invoices, Bond Resolution Authorizing Merger

Environmental Health Services Permit

Evidence of Insurance

County Commission Orders Approving Merger

Public Service Commission Orders Approving Merger

Resolution Ratifying Merger

Consent of United States Department of Agriculture - Rural Utilities Service to Merger and Issuance of Parity Bonds

Quitclaim Deed of Lost Creek-Mt. Clare Public Service District

Bill of Sale of Lost Creek-Mt. Clare Public Service District

Assignment of Rights of Way and Easements of Lost Creek-Mt. Clare Public Service District

Assignment of Judgement of Lost Creek-Mount Clare Public Service District

Quitclaim Deed of Quiet Dell Public Service District

Bill of Sale of Quiet Dell Public Service District

Assignment of Rights of Way and Easements of Quiet Dell Public Service District

Assignment of Judgement of Quiet Dell Public Service District

Quitclaim Deed of Valley of Good Hope Public Service District

Bill of Sale of Valley of Good Hope Public Service District

Assignment of Rights of Way and Easements of Valley of Good Hope Public Service District

Assignment of Judgement of Valley of Good Hope Public Service District

1966 Bond and Supplemental Resolutions

1974 Bond and Supplemental Resolutions

Water Purchase Agreement with Clarksburg Water Board

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Greater Harrison County Public Service District." The Issuer is a public service district duly created by The County Commission of Harrison County and presently existing under the laws of, and a public corporation and political subdivision of, the State of West Virginia. The governing body of the Issuer is its Public Service Board consisting of 5 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
William L. Coffindaffer	December 11, 2003	December 9, 2009
Evan Hugus	December 11, 2003	December 19, 2009
Gregory D. Robertson	August 12, 2002	August 12, 2008
James L. Scudere	January 16, 2001	January 16, 2006
William J. Derrickson	January 16, 2001	September 14, 2005

The names of the duly elected and/or appointed, qualified and acting officers of the Public Service Board of the Issuer for the calendar year 2004 are as follows:

Chairperson	-	William L. Coffindaffer
Secretary	-	Gregory D. Robertson
Treasurer	-	Evan Hugus

The duly appointed and acting counsel to the Issuer is Michael & Kupec, in Clarksburg, West Virginia.

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

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. All insurance for the System required by the Bond Legislation and Loan Agreement is in full force and effect.

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

11. RATES: The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on August 2, 2002, in Case No. 02-0491-PWD-30B, approving the rates and charges for the services of the System, and has adopted a resolution prescribing such rates and charges. The time for appeal of such Final Order has expired prior to the date hereof without any appeal. Such Final Order remains in full force and effect. The rates are currently in effect.

12. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on October 10, 2002, in Case No. 01-0040-PWD-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order has expired prior to the date hereof without any appeal. Such Final Order remains in full force and effect.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, numbered AR-1 dated the date hereof, by his or her manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof, the Issuer also received $37,545 from the Authority and the Council, being a portion of the principal amount of the Series 2004 A Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

15. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING: The Issuer has published any required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, the issuance of the Bonds and filing of a formal application for a certificate of public convenience and necessity with the Public Service Commission of West Virginia, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended.

16. SPECIMEN BONDS: Delivered concurrently herewith is a true and accurate specimen of the Bonds.

17. CONFLICT 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 in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

18. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Bonds.

19. COMPLIANCE WITH WEST VIRGINIA JOBS ACT: The Issuer hereby certifies that, unless it qualifies for an exception, the Issuer shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the"West Virginia Jobs Act") and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Issuer shall provide the Council and the Authority with a certificate stating that (i) the Issuer will comply with all the requirements of the West Virginia Jobs Act; (ii) the Issuer has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (iii) the Issuer has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (iv) the Issuer will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL.

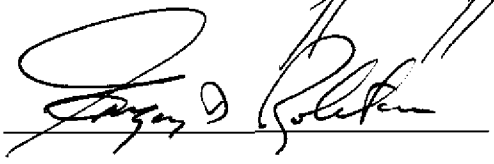
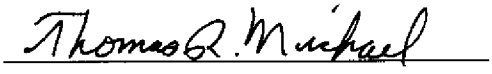
The monthly requisitions submitted to the Council shall also certify that the Issuer is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

20. WATER PURCHASE AGREEMENT: The Issuer hereby certifies that it will promptly and diligently seek to obtain the approval from the Public Service Commission of West Virginia of the water purchase agreement between the Issuer and the Clarksburg Water Board regarding an extended term equal to term of the Series 2004 A Bonds prior to 50% of the proceeds of the Series 2004 A Bonds being disbursed.

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

WITNESS our signatures and the official seal of GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT on this 27th day of July, 2004.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Chairman
	Secretary
	Counsel to Issuer

06/28/04
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GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, H. Wood Thrasher, Registered Professional Engineer, West Virginia License No. 9478, of Thrasher Engineering, Inc., Clarksburg, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain improvements and extensions (the "Project") to the existing public waterworks facilities (the "System") of Greater Harrison County Public Service District (the "Issuer") to be constructed primarily in Harrison County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (collectively, the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on July 21, 2004, and the Loan Agreement for the Series 2004 A Bonds, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated July 27, 2004 (the "Loan Agreement").

2. The Series 2004 A Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance of the Bonds and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the West Virginia Bureau for Public Health ("BPH") and the Council and any change orders approved by the Issuer, the Council, the BPH and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least forty years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and the Issuer's counsel, Thomas Michael, Esquire, 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 BPH and the bid forms provided to the bidders contain the critical

operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; (ix) in reliance upon the certificate of the Issuer's certified public accountant, Tetrick & Bartlett, PLLC, as of the effective date thereof, the rates and charges for the System as approved by the Public Service Commission of West Virginia and adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the BPH; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 27th day of July, 2004.

THRASHER ENGINEERING, INC.

(SEAL)

H. Wood Thrasher, P.E.
West Virginia License No. 9478

06/23/04
352650.00002

Ft

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

SCHEDULE B

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT
LOST CREEK (JOHNSTOWN) WATER PROJECT
FINAL TOTAL COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

A. Cost of Project	Total	IJDC Loan
1. Construction (Based on Actual Bids)		
Contract 1 (Hulls Contracting)	508,885.00	508,885.00
deducts 1 & 2	(74,055.00)	(74,055.00)
Contract 2 (Welding Inc.)	136,800.00	136,800.00
2. Technical Services (Thrasher)	-	-
a. Planning	-	0.00
b. Design	30,000.00	30,000.00
c. Engineering/Construction	40,248.00	40,248.00
d. Special Services	5,000.00	5,000.00
3. Legal & Fiscal		
a.Legal (Tom Michel)	7,500.00	7,500.00
b.Accounting (Leon Rogers)	3,000.00	3,000.00
4. Administrative (Thrasher/PSD)	4,000.00	4,000.00
5. Sites and Other Lands	7,000.00	7,000.00
6. Miscellaneous	-	0.00
7. Construction Contingency	28,622.00	28,622.00
8. Total of Lines 1 through 7	697,000.00	697,000.00
B. Sources of Funds		
9. Federal Grants:	-	
10. State Grants	-	-
11. Other Grants	-	
12. Any Other Source:	-	
13. Total of Lines 9 through 12	-	-
14. Net Proceeds Required from Bond Issue (Line 8 minus Line 13)	697,000.00	697,000.00
C. Cost of Financing		
15. Funded Reserve Account	-	
16. Other Costs	-	
a. Bond Counsel (Steptoe & Johnson)	5,500.00	5,500.00
b. Bank Registrar Fee	500.00	500.00
17. Total Cost of Financing (Lines 15 and 16)	6,000.00	6,000.00
18. Size of Bond Issue (Line 17 plus Line 17)	703,000.00	703,000.00

Wm. C. Herron
GOVERNMENTAL AGENCY

6/18/04
DATE:

CONSULTING ENGINEER

6/17/04
DATE:

Tetrick & Bartlett, PLLC
Certified Public Accountants
Consultants

122 N. Oak St. • PO Box 1916 • Clarksburg, WV 26302-1916 • (304) 624-5564 • Fax: (304) 624-5582 • E-mail: TBCPA@tetrickbartlett.com

July 27, 2004

Greater Harrison County Public Service District
Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

Greater Harrison County Public Service District
West Milford, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure & Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the water rates and charges set forth in the Commission Order entered on August 2, 2002, of the Public Service Commission of West Virginia in Case No. 02-0491-PWD-30B, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Greater Harrison County Public Service District (the "Issuer"), it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system (the "System") of the Issuer, will (i) provide for all reasonable expenses of operation, repair and maintenance of the System, (ii) provide revenues annually to pay the annual debt service on and all payments required into all accounts created for the Waterworks System Revenue Bonds, Series A (the "Series 1966 Bonds"); (iii) to leave a balance each Fiscal year equal to at least 110% of the average annual debt service on the Water Revenue Bonds, Series 1974 (the "Series 1974 Bonds" and together with the Series 1966 Bonds, hereinafter called the "Prior Bonds") and all payments required into all accounts created for the Series 1974 Bonds; and (iv) to leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any Fiscal Year for payment of principal of and interest on the Series 2004 A Bonds and all other obligations secured by or payable from such revenues.

It is further our opinion that (i) the Net Revenues for the Fiscal Year following the year in which the Series 2004 A Bonds are issued will be at least 120% of the average annual debt service on the Prior Bonds and the Series 2004 A Bonds and that (ii) 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 2004 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 improvements to be financed by the Series 2004 A Bonds, are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for the principal of and interest on the Prior Bonds and the Series 2004 A Bonds.

Very truly yours,

Tetrick & Bartlett, PLLC

TETRICK & BARTLETT, PLLC

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Chairman of the Public Service Board of Greater Harrison County Public Service District in Harrison County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $703,000 Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), of the Issuer, dated July 27, 2004 (collectively, the "Bonds"), hereby certify as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Resolution duly adopted by the Issuer on July 21, 2004 (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 July 27, 2004, the date on which the Bonds are being physically delivered in exchange for an initial advance of the principal amount of the Series 2004 A Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond 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"), the West Virginia Department of Environmental Protection (the "DEP") or the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2004 A Bonds were sold on July 27, 2004, to the Authority, pursuant to a loan agreement dated July 27, 2004, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of $703,000 (100% of par), at which time, the Issuer received $37,545 from the Authority and the Council, being the first advance of the principal amount of the Series 2004 A Bonds. No accrued interest has been or will be paid on the Series 2004 A Bonds. The balance of the principal amount of the Series 2004 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2004 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction 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 all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before December 27, 2005. The acquisition and construction of the Project is expected to be completed by September 27, 2005.

10. The total cost of the Project is estimated at $703,000. Sources and uses of funds for the Project are as follows:

SOURCES	
Proceeds of the Series 2004 A Bonds	$703,000
Total Sources	$703,000

USES	
Costs of Acquisition and Construction of the Project	$697,000
Costs of Issuance	$ 6,000
Total Uses	$703,000

11. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued relative to the Series 2004 A Bonds:

(1) Revenue Fund;

(2) Operation and Maintenance Fund

(3) Repair and Replacement Fund;

(4) Series 2004 A Bonds Construction Trust Fund

(5) Series 2004 A Bonds Sinking Fund; and

(6) Series 2004 A Bonds Reserve Account.

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

(1) Series 2004 A Bond proceeds in the amount of $-0- will be deposited in the Series 2004 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2004 A Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) The balance of the proceeds of the Series 2004 A Bonds will be deposited in the Series 2004 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2004 A Bonds and related costs.

13. Monies held in the Series 2004 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2004 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2004 A Bonds Sinking Fund and Series 2004 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2004 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

14. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within fourteen (14) months of the date hereof.

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

16. With the exception of the amount deposited in the Series 2004 A Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2004 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within seventeen (17) months from the date of issuance thereof.

17. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Bonds.

18. 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.

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

20. 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.

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

22. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

23. The Bonds are not federally guaranteed.

24. 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 public purpose bonds.

25. The Issuer has either (a) funded the Series 2004 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due, on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2004 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2004 A Bonds Reserve Account hold an amount equal to the maximum amount of principal and interest which will mature and become due, respectively, on the Bonds in the then current or any succeeding year. Monies in the Series 2004 A Bonds Reserve Account and the Series 2004 A Bonds Sinking Fund will be used solely to pay principal of and interest on each series of the Bonds and will not be available to pay costs of the Project.

26. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Series 2004 A Bonds, (b) are to be sold pursuant to a common plan of financing together with the 2004 A Bonds and (c) will be paid out of substantially the same sources of funds of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Bonds.

27. 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.

28. 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.

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

WITNESS my signature on this 27th day of July, 2004.

GREATER HARRISON COUNTY PUBLIC
SERVICE DISTRICT

By:
Its: Chairman

07/13/05
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from which they seek appointment and that they are both persons of good moral character. It is therefore ordered that the said Melvin Clemans and Carrol Lee Crites be and they are hereby granted certificates upon which to obtain the appointment of ;the office of Notary Public.

Harry L. Bartlett Granted Minister's License

Upon application of Harry L. Bartlett, who proved to the satisfaction of the Commission that he is an ordained minister of the Light house Gospel Center, Inc., Tulsa, Oklahoma, ihois ordered that the said Harry L. Bartlett, who was ordained on the 10th day of October, 1975, be and he is hereby granted a license to solemnize the rites of marriage in all of the counties of the State of West Virginia, as provided by chapter 48,article 1, Section 12-A, of the West Virginia Code, as amended, no bond was required said Harry L. Bartlett presenting to the Commission proof of his ordination by said church.

It is ordered that the Commission be adjourned ;until Tuesday, Decembe 16th, 1975 at 10:00 o'clock

_____, President

Tuesday, December 16th, 1975

The Commission sat pursuant to its adjournment on Monday, December 15th, 1975

Present: Daniel L. McCarthy, President

James E. Boyce, Commissioner

ORDERS—Commissioners Harrison County Court, ...

Session Held Tuesday, December 16th, 1975

Grant-Union Public Service District Created

STATE OF WEST VIRGINIA,

At a regular Term of the County Commission of Harrison County, West Virginia, held at the Courthouse of said County, Commissioners Daniel L. McCarthy and James E. Boyce, a majority of the members being present thereat, on the 16th day of December 1975, the following order was made and entered, to-wit:

GRANT-UNION PUBLIC SERVICE DISTRICT:

At a regular Term of the County Commission of Harrison County, held at the Courthouse of said County, Commissioners Daniel L. McCarthy and James E. Boyce, a majority of the members being present thereat, on the 16th day of December, 1975, being the date fixed by prior action of the County Commission for conducting the public hearing on the creation of the proposed Grant-Union Public Service District, as contemplated and provided for in a resolution and order adopted by the County Commission on the 10th day of November, 1975, the President announced that due publication of notice of such public hearing, in accordance with said order, had been made in the Clarksburg Exponent on Wednesday, the 3rd day of December, 1975, as appears from a Certificate of Publication tendered to the County Commission and now filed herein, such notice stating that all persons residing in or owning or having any interest in property in the area to be embraced within the boundaries of such public service district desiring to be heard for or against the creation of said District would be heard. The President further announced that the Affidavit of Rezin B. Hudkins was filed herein, setting out facts concerning the posting of notices in accordance with said order, in five (5) conspicuous places within the limits of the proposed public service district, said notices containing the same information contained in the published notice and such posted notices were posted not less than

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

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

ORDER AND RESOLUTION creating the Grant-Union Public Service District in Harrison County, West Virginia.

WHEREAS, the County Commission of Harrison County, West Virginia, did heretofore, by a resolution and order adopted November 10, 1975, fix a date for a public hearing on the creation of the Grant-Union Public Service District for the purpose of supplying sewerage services and facilities within the territory to the extent permitted by law, and in and by said resolution and order did provide that all persons residing in or owning or having any interest in property in the area to be embraced within the boundaries of such public service district might appear before the County Commission at this meeting and have the opportunity to be heard for and against the creation of said District; and

WHEREAS, the territory hereinafter described does not include within its limits the territory of any other public service district organized under Article 13A of Chapter 16 of the Code of West Virginia, as amended ("the Act"), which furnishes the residents within such territory or any part thereof sewerage services as defined in the Act; nor is there included within the above described territory any city, incorporated town or other municipal corporation having a population in excess of three thousand

(3,000) persons; however, there is included within the above described territory two (2) incorporated towns, namely, The Town of Lost Creek and the Town of West Milford; and

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

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

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

I.

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

The Grant-Union Public Service District, hereby described as partly located in Grant, Union, Elk and Clark Magisterial Districts in Harrison County, West Virginia, and is further described as being the watershed area of West Fork River and being between the eastern divide and western divide and the area being also upstream of Clarksburg and in south central and southwest part of Harrison County and more generally described as follows:

BEGINNING at Mt. Clare Road (W. Va. Route No. 25) and River Bend Park Road (W. Va. Route No. 19/53) intersection and thence southward along the ridges and divides and the divide between West Fork River and Arnold Run watershed, 7350 feet, more or less; thence along the watershed divide between West Fork River and Elk Creek watersheds and generally following the divide (partly and mostly the eastern boundary line of Union Magisterial District) a distance of 15,000 feet, more or less; thence east to a point, a distance of 6072 feet, more or less; thence with Elk Creek for a distance of 5280 feet, more or less; thence south for a distance of 900 feet, more or less; thence South 36° 45' West for a distance of 8075 feet, more or less; thence South 6° 40' West for a distance of 950 feet, more or less to a point on the western boundary of Grant Magisterial District; thence southward along said boundary for a distance of approximately 48,000 feet, more or less, to the southern boundary line of Harrison County at the Harrison, Lewis, Upshur County common boundary corner; thence, approximately 14,230 feet westward with the Harrison-Lewis County line to the watershed divide between McKenny Creek and Lost Creek watersheds and continues 16,000 feet, more or less, along this divide to the gap on W. Va. Route No. 25 south of the Town of Lost Creek; thence 4500 feet, more or less, along the watershed divide between McKenny Run and Dick Run; thence 9000 feet, more or less, along the watershed divide between McKenny Run and Vens Run (tributaries of Hackers Creek) to the south county line; thence with south Harrison County line, crossing Hackers Creek and West Fork River to the southwest corner of Harrison County, a distance of 68,000 feet, more or less; thence following the meanderings of the west county line which is also a watershed divide, to the headwaters of Isaac Creek (east of Big Isaac) of West Fork River watershed approximately 32,500 feet, more or less; thence 46,500 feet, more or less, to and along the divide between the Tenmile Creek watershed and the headwaters of Buffalo Creek, Sycamore Creek and their tributaries to the common corner of Coal, Tenmile and Union Magisterial Districts; thence along the watershed divide between Simpson Creek and the headwaters of Coburns Run, Davisson Run and Washburncamp Run to the eastern watershed

divide of Davisson Run, a distance of 26,000 feet, more or less; thence 6100 feet, more or less, down along the divide to W. Va. U. S. Route No. 19 and following northside of State Route No. 19, 1500 feet, more or less, to City of Clarksburg near river bend; thence upstream of the West Fork River approximately 3200 feet to the Baltimore and Ohio river bridge; thence with the city boundary to the River Bend Park Road W. Va. Route No. 19/53 and along State Route No. 19/53 to W. Va. Route No. 25, 650 feet, more or less, and the place of beginning, containing 100 square miles, more or less, as shown and designated on a map or plat entitled Grant-Union Public Service District, Harrison County, West Virginia, Cerrone & Vaughn, Inc. Engineers.

II.

Said Public Service District shall have the name and corporate title of GRANT-UNION PUBLIC SERVICE DISTRICT, and shall constitute a public corporation and political subdivision of the State of West Virginia with the right to construct, maintain, operate, improve and extend sewerage services and facilities within the territory, for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, to the extent permitted by law, having all the rights and powers conferred on public service districts by the laws of the State of West Virginia, and particularly by Article 13A of Chapter 16 of the West Virginia Code.

III.

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

Rezin B. Hudkins - six (6) years,
Alfred M. Norman, [redacted] - four (4) years,
Hugus Evans - two (2) years,

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

ENTER this 16th day of December, 1975.

COUNTY COMMISSION OF HARRISON COUNTY, WEST VIRGINIA

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

By Daniel L. McCarthy
Daniel L. McCarthy, County Commissioner

STATE OF WEST VIRGINIA.

County of Harrison:

I, FRANK J. MAXWELL, JR., Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in General Order Book No. 47 at Page 625 of said records.

Given under my hand and Seal of said Office this 5 day of July 19 84.

Clerk, Harrison County Commission

4-15-97
10 30

BEFORE THE COUNTY COMMISSION OF HARRISON COUNTY

A RESOLUTION AND ORDER PROPOSING CHANGING THE NAME OF GRANT UNION PUBLIC SERVICE DISTRICT TO GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE MERGER OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT AND VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT INTO GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT (FORMERLY GRANT UNION PUBLIC SERVICE DISTRICT) AND THE ENLARGEMENT OF THE SEWER SERVICE AUTHORITY OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND FIXING A DATE OF HEARING ON THE PROPOSED NAME CHANGE, MERGER AND ENLARGEMENT AND PROVIDING FOR NOTICE OF SUCH HEARING

WHEREAS, the County Commission of Harrison County deems it necessary and desirable to consolidate, where practicable, the public service districts in Harrison County to provide both better and more cost-effective service to the residents of the County;

WHEREAS, pursuant to the provisions of Article 13A, Chapter 16 of the West Virginia Code, the Harrison County Commission is empowered to, upon its own motion by order duly adopted, propose consolidation and enlargement of public service districts located within the County in order to preserve the public health, comfort and convenience of the areas within the public service districts;

WHEREAS, the Public Service Commission of West Virginia has recommended the expansion of Grant Union Public Service District to provide sewer service to those portions of Harrison County not presently provided with sewer service and the County Commission of Harrison County deems it desirable to change the name of Grant Union Public Service District to Greater Harrison County Public Service District (hereinafter, Greater Harrison County Public Service District shall refer to the former Grant Union Public Service District);

WHEREAS, the Public Service Commission of West Virginia has recommended the merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District and the enlargement of the sewer service authority of Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or incorporated municipality; and,

WHEREAS, the Harrison County Commission, after considerable deliberation, has decided that the proposed merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District, and the enlargement of the sewer authority of Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or

incorporated municipality, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Districts, is necessary for the preservation of the public health, comfort and convenience for the areas presently served and proposed to be served by the said Districts.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY, RESOLVED AND ORDERED by the County Commission of Harrison County as follows:

1. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia, hereby proposes that the name of Grant Union Public Service District be changed to Greater Harrison County Public Service District.

2. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Districts, proposes the merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District. The presently existing public service districts are particularly defined as the following areas:

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT
(FORMERLY GRANT UNION PUBLIC SERVICE DISTRICT)

BEGINNING at Mt. Clare Road (WV Route No. 25) and River Bend Park Road (WV Route No. 19/53)intersection;

THENCE southward along the ridges and divides and the divide between West Fork River and Arnold Run watershed, 7350 feet, more or less;

THENCE along watershed divide between West Fork River and Elk Creek watersheds and generally following the divide (partly and mostly the eastern boundary line of Union Magisterial District) a distance of 15,000 feet, more or less;

THENCE East to a point, a distance of 6072 feet, more or less;

THENCE with Elk Creek for a distance of 5280 feet, more or less;

THENCE South for a distance of 900 feet, more or less;

THENCE South 36° 45' West for a distance of 8075 feet, more or less;

THENCE South 6° 40' West for a distance of 950 feet, more or less, to a point on the western boundary of Grant Magisterial District;

THENCE southward along said boundary for a distance of approximately 48,000 feet, more or less, to the southern boundary line of Harrison County at the Harrison-Lewis-Upshur County common boundary corner;

THENCE approximately 14,230 feet westward with the Harrison-Lewis County line to the watershed divide between McKenney Creek and Lost Creek watersheds and continues 16,000 feet, more or less, along this divide to the gap on WV Route No. 25 south of the Town of Lost Creek;

THENCE 4500 feet, more or less, along the watershed divide between McKenny Run and Dick Run;

THENCE 9000 feet, more or less, along the watershed divide between McKenny Run and Vens Run (tributaries of Hackers Creek) to the south county line;

THENCE with the south Harrison County line, crossing Hackers Creek and West Fork River to the southwest corner of Harrison County, a distance of 68,000 feet, more or less;

THENCE following the meandering of the west county line which is also a watershed divide, to the headwaters of Isaac Creek (east of Big Isaac) of West Fork River watershed approximately 32,500 feet, more or less;

THENCE 46,500 feet, more or less, to and along the divide between the Tenmile Creek watershed and the headwaters of Buffalo Creek, Sycamore Creek and their tributaries to the common corner or Coal, Tenmile, and Union Magisterial Districts;

THENCE along the watershed divide between Simpson Creek and the headwaters of Coburns Run, Davison Run and Washburncamp Run to the eastern watershed divide of Davison Run, a distance of 26,000 feet, more or less;

THENCE 6100 feet, more or less, down along the divide to WV US Route No 19 and following north side of State Route No. 19, 1500 feet, more or less, to City of Clarksburg near river bend;

THENCE upstream of the West Fork River approximately 3200 feet to the Baltimore and Ohio railroad bridge;

THENCE with the city boundary to the River Bend Park Road WV Route No. 19/53 and along State Route No. 19/53 to WV Route No. 25, 650 feet, more or less, and the place of beginning, containing 100 square miles, more or less.

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

BEGINNING at a point on the east bank of the West Fork River, which point has the coordinate North 39° 14' 38" and West 80° 21' 29";

THENCE leaving the river due East 0.54 miles to a point on the Clark-Grant Magisterial District line;

THENCE with that line in a southeasterly direction 2.46 miles to a point;

THENCE due East 1.15 miles to a point on the west bank of Elk Creek;

THENCE up Elk Creek 1.0 miles to a point;

THENCE due South 0.17 miles to a point;

THENCE South 36° 45' West 1.53 miles to a point;

THENCE South 6° 40' West 0.18 miles to a point on the Elk-Grant Magisterial District line;

THENCE with that line 7.66 miles to the Harrison-Lewis-Upshur County common corner;

THENCE with the Harrison-Lewis County line in a northwesterly direction 3.65 miles to a point on a ridge;

THENCE with that ridge line in a westerly direction 2.04 mile to a point;

THENCE North 20° 30' West 0.63 miles to a point on a ridge one;

THENCE with the ridge line, which divides the watershed between Hackers Creek and Duck Creek in a northwesterly direction 5.45 miles to a point on the boundary of the Valley of Good Hope Public Service District;

THENCE with four lines of the Valley of Good Hope Public Service District boundary,

North 19° 45 East 0.47 miles to a point;

North 61° 20' East 0.64 miles to a point;

North 49° 20' East 0.34 miles to a point;

Due North 0.34 miles to a point on the Grant-Union Magisterial District line;

THENCE with that line in a northeasterly direction 8.06 miles to a point on the south bank of the West Fork River;

THENCE with the south bank down river 1.63 miles to the beginning.

Included with the district is a strip of land between the west bank of the West Fork River and a point 100 feet southwest of the Lost Creek-Mt. Clare main water transmission line and extending from the Lost Creek-Mt. Clare master meter in a southeasterly

direction and parallel with the main transmission line 1.39 miles to a point where the main line crosses the river.

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

BEGINNING at a point in the center of the West Fork River, which point is the common corner between the Grant, Union and Clark Magisterial Districts;

THENCE in a northwesterly direction with the Clark-Union Magisterial District boundary line and with the southwestern boundary of the Country Club Addition Public Service District 1.28 miles to a point in the center of US Route 19;

THENCE with US Route 19 North 0.98 miles to a point;

THENCE leaving the highway North 28° West 0.38 miles to a point on the southern boundary of the Sun Valley Public Service District;

THENCE with the Sun Valley Public Service District boundary South 65° West 1.19 miles to a point on the Clark-Union Magisterial District line;

THENCE leaving the Clark-Union Magisterial District line and the Sun Valley Public Service District South 40° 50' West 1.87 miles to a point;

THENCE South 48° West 2.23 miles to a point;

THENCE South 2° 20' East 1.97 miles to a point;

THENCE South 20° 30' West 1.37 miles to a point;

THENCE South 41° 40' East 1.61 miles to a point in the center of the West Fork River;

THENCE down river 0.83 miles to a point;

THENCE leaving the river South 67° East 0.23 miles to a point in the center of Hackers Creek;

THENCE with Hackers Creek 0.45 miles to a point which point is the center of US Route 19;

THENCE leaving Hackers Creek North 59° East 1.07 miles to a point on the ridge which point is on the western boundary of the Lost Creek-Mount Clare Public Service District;

THENCE with the Lost Creek-Mount Clare Public Service District boundary and with the ridge line in a northwestern direction 2.01 miles to a point;

THENCE North 19° 45' East 0.47 miles to a point in the center line of the West Fork River;

THENCE North 61° 20' East 0.64 miles to a point in the center line of the West Fork River;

THENCE North 49° 20' East 0.34 miles to a point;

THENCE Due North 0.34 miles to a point in the center of the West Fork River which is on the Grant-Union Magisterial District line;

THENCE with the Grant-Union Magisterial District line 8.06 miles to the beginning containing 23.91 square miles.

Following the merger, the water service area of the newly created Greater Harrison County Public Service District shall be particularly defined as follows:

PROPOSED MERGER OF GREATER HARRISON COUNTY, LOST CREEK-MT. CLARE AND VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICTS

BEGINNING at a point between Highway 19/15 (Country Club Road) and the West Fork River at latitude 39° 15' and longitude 80° 22' 30";

THENCE due East with said latitude 39° 15' parallel line 9,300 feet to a point between two ridge tops;

THENCE South 14° East 9;200 feet to a point on a ridge top;

THENCE due East 7,800 feet to a point in the center of Elk Creek, also being a point in the Quiet Dell Public Service District boundary line (as amended 6/93);

THENCE in a southerly direction running upstream with Elk Creek and said common boundary line of Quiet Dell Public Service District 3,200 feet to the intersection of Zachs Run and Elk Creek;

THENCE continuing in a southerly direction upstream with Elk Creek and said common boundary line 8,000 feet to a point;

THENCE with said common boundary line South 3° 02' West 3,100 feet to a point on top of a ridge;

THENCE with said common boundary line South 25° 48' West 3,200 feet to a point on top of a ridge;

THENCE with said common boundary line South 37° 12' West 5,800 feet to a point on top of a ridge;

THENCE with said common boundary line South 26° 03' East 4,200 feet to a point on top of a ridge;

THENCE with said common boundary line South 67° 50' East 2,900 feet to a point on top of a ridge;

THENCE with said common boundary line South 86° 41' East 7,300 feet to a point on top of a ridge;

THENCE with said common boundary line South 74° 45' East 5,100 feet to a point in the center line of Highway Route 20;

THENCE leaving said common boundary line of Quiet Dell Public Service District South 21° East 3.3 miles to the intersecting corner of the Barbour-Harrison-Upshur County lines;

THENCE running westerly with the Harrison-Upshur County line 4.5 miles to the intersecting corner of the Harrison-Lewis County lines;

THENCE running westerly with the Harrison-Lewis County line 4.3 miles to a point on McKenney Run;

THENCE due West 6,700 feet to a point at the intersection of McKenney Run and Highway Route 25, also being the point of a master meter connection with Jane Lew Public Service District;

THENCE due North 1,900 feet to a point in the Harrison-Lewis County lines;

THENCE running westerly with said county lines 3 miles to a point intersecting the West Fork River;

THENCE continuing westerly with the meanders of the Harrison-Lewis County line 9.5 miles to the intersecting corner of the Doddridge-Harrison-Lewis County lines;

THENCE running northerly with the meanders of the Doddridge-Harrison County line, 14 miles to a point on the latitude 39° 15' parallel line near Highway Route 29;

THENCE due East with said parallel line 2.8 miles to a point on a ridge at Longitude 80° 31';

THENCE North 37° East 2.6 miles to a point in Highway Route 31, said point being the common boundary corner with Sun Valley Public Service District;

THENCE, with said common boundary line of Sun Valley Public Service District South 59° 30' East 1.7 miles to a point at the intersection of Highway Route 33/2 and Route 33 (Sycamore Road);

THENCE easterly with said common boundary line of Sun Valley Public Service District and the Union-Clark Magisterial district line 10,450 feet, more or less, to a point on a ridge;

THENCE leaving said Union-Clark Magisterial district line North 61° 50' East 6,200 feet to a point in said common boundary line of Sun Valley Public Service District;

THENCE leaving said common boundary line of Sun Valley Public Service District South 16° East 6,200 feet to the point of beginning, containing approximately 131 square miles, as shown upon a map prepared by the West Virginia Public Service Commission, Public Service District Division, dated January 1996, entitled "Proposed Consolidation of Grant Union, Valley of Good Hope, and Lost Creek-Mt. Clare Public Service Districts".

3. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia, proposes the expansion of the sewer authority of the newly created Greater Harrison County Public Service District to include all areas within Harrison County not served by another public service district or incorporated municipality, particularly defined as the following areas:

PROPOSED ENLARGEMENT OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

The Greater Harrison County Public Service District sewer service area as enlarged shall be described as all the area encompassing the County of Harrison except the following service areas:

East View Public Service District
Enlarged Hepzibah Public Service District
Lake Floyd Public Service District
Lumberport Public Service District
Mt. Clare Public Service District
Summit Park Public Service District
Sun Valley Public Service District
Jane Lew Public Service District
Town of Anmoore
City of Bridgeport
City of Clarksburg
Town of Nutter Fort
City of Salem
City of Shinnston
Town of Stonewood
Town of West Milford

Specifically described hereinafter:

EAST VIEW PUBLIC SERVICE DISTRICT

BEGINNING at a point (#1) where the most westerly Corporation limit of Anmoore crosses WV Secondary Highway 23;

THENCE with the Corporation line of Anmoore in a southerly direction approximately 400 ft. to point (#2) where said Corporation limit crosses the Baltimore & Ohio Railroad tracks;

THENCE leaving the Corporation line of Anmoore along a ridge in a southwesterly direction 1500 feet to a point (#3) on the ridge;

THENCE along said ridge approximately 6000 feet to a point (#4) on the most easterly Corporation limit of the City of Clarksburg;

THENCE along said Corporation limit in a northerly direction approximately 3000 feet to a point (#5);

THENCE leaving the Corporation line of Clarksburg along a ridge in a easterly direction approximately 6000 feet to a point (#6) of intersection between a pipeline and a power line;

THENCE along the same ridge in a southerly direction approximately 5300 feet to a point (#7) on the northern Corporation line of the Town of Anmoore;

THENCE following said Corporation line in a westerly direction 500 feet to the northwest corner of the corporation line to point (#8) of the Town of Anmoore;

THENCE following said Corporation line in a southerly direction 300 feet to place of beginning.

ENLARGED HEPZIBAH PUBLIC SERVICE DISTRICT

BEGINNING at the Corporate limits of the City of Clarksburg at a point on said US Route No. 19;

THENCE in a northerly direction along said US Route No. 19 to the intersection of the Crooked Run Road designated as being State Route No. 19/10;

THENCE in a northwesterly direction along said Crooked Run Road, State Route 19/10, to the Harrison County Coal-Eagle Magisterial District Line;

THENCE in a northerly direction along said Coal-Eagle Magisterial District line to its point of intersection with the Baltimore and Ohio Railroad Company Tracks;

THENCE in a northerly direction along said railroad tracks to a point which is due West from the southern limits of the Town of Gypsy (to include all of the Town of Hughs);

THENCE due East to the West Fork River;

THENCE in a southerly direction along said West Fork River to the intersection of said River and the common intersection of Eagle, Clay, and Simpson Magisterial District lines;

THENCE in an easterly direction along Simpson District northerly boundary to the centerline intersection of said boundary and State Route 24/11;

THENCE south 10° East 14,780 ± to northern right-of-way line of Federal Route I-79;

THENCE along said right-of-way line in a westerly direction 3,300 feet ± to centerline of Simpson Creek;

THENCE along centerline of Simpson Creek and 1,000 feet distant south thereof meandering in a general north westerly direction to the intersection of a telephone cable right-of-way;

THENCE in a southerly direction along said telephone line to an angle point in said telephone line, said angle point being due East from the Northern limits of the Town of Hepzibah;

THENCE due West to a point in the West Fork River;

THENCE in a southerly direction along the meandering of said West Fork River to the Corporate line of the City of Clarksburg, West Virginia;

THENCE in a westerly direction along said Corporation line to the point of beginning.

LAKE FLOYD PUBLIC SERVICE DISTRICT

BEGINNING at the intersection of State Route 50/8, commonly known as Hall's Run Road and the westerly side of controlled access right-of-way of United States Route 50 and running;

THENCE South 64° 30' East 370 feet to a stake;
THENCE South 33° 40' West 630 feet to a stake;
THENCE South 61° 30' West 521 feet to a stake;
THENCE South 58° 00' West 2,543 feet to a stake;
THENCE South 30° 15' West 879 feet to a stake;
THENCE South 38° 11' West 1,289 feet to a stake;
THENCE North 39° 30' West 635 feet to a stake;
THENCE North 31° 40' East 730 feet to a stake;

THENCE North 45° 23' East 148 feet to a stake;
THENCE North 25° 23' East 225 feet to a stake;
THENCE North 10° 14' East 478 feet to a stake;
THENCE North 13° 30' East 422 feet to a stake;
THENCE North 53° 41' East 831 feet to a stake;
THENCE North 42° 52' East 441 feet to a stake;
THENCE North 68° 35' East 785 feet to a stake;
THENCE North 48° 51' East 485 feet to a stake;
THENCE North 23° 57' East 235 feet to a stake;
THENCE North 73° 40' East 479 feet to a stake;
THENCE North 85° 46' East 128 feet to a stake;
THENCE North 74° 30' East 720 feet to a stake;
THENCE South 15° 30' East 250 feet to the place of beginning.

LUMBERPORT AREA PUBLIC SERVICE DISTRICT

BEGINNING at a point in the center of Tenmile Creek (said point being a corner to the Short Line Public Service District which corner bears North 62° 30' West 260 feet ± to the Chessie System Railroad tracks);

THENCE with a boundary line of the Short Line Public Service District North 62° 30' West 1,950 feet ± to a point;

THENCE leaving the Short Line Public Service District boundary North 1° 20' West 3,050 feet ± to the top of a ridge (elevation 1346');

THENCE North 37° 50' East 6,000 feet to a point which is 380 feet ± due west of Jack Run Road;

THENCE South 45° 30' East 2,150 feet ± to the top of a ridge;

THENCE South 55° 30' East 1,700 feet ± to a point in the center of the Lumberport-Haywood Bridge and being the center of Tenmile Creek;

THENCE with the meanders of Tenmile Creek downstream in a northeast direction 6,900 feet ± to a point in the boundary line of the Haywood Public Service District (said boundary line being the same line that divides Eagle and Clay Magisterial Districts);

THENCE with the Eagle and Clay Magisterial District line and the Haywood Public Service District boundary line in a southwesterly direction 5,400 feet ± to a point in the center of Tenmile Creek;

THENCE downstream with the meanders of Tenmile Creek in a westerly direction 2,240 feet ± to a point in the Lumberport corporation line;

THENCE with the Lumberport corporation line in a southwesterly direction 3,200 feet ± to a point in the center of Tenmile Creek;

THENCE upstream with the meanders of Tenmile Creek 5,450 feet ± to the point of beginning, containing 1,167 acres.

MT. CLARE ROAD PUBLIC SERVICE DISTRICT

BEGINNING at a point on the intersection of Arnold's Run and the northerly right-of-way line of West Virginia Secondary Route 25, said point being located on the corporation line of the City of Clarksburg;

THENCE with said northerly right-of-way line of West Virginia Secondary Route 25 at the centerline of the B & O Railroad track south to a point southwest of the intersection of said West Virginia Secondary Route 25 and West Virginia Secondary Route 25/17;

THENCE in a straight line, northeast to a point located 250.00 feet west of the centerline of Bassel Street;

THENCE with five new lines, 250.00 feet west of and parallel to said Bassel Street in a southerly direction, a distance of 660.00 feet to a point;

THENCE with a line perpendicular to said Bassel Street, northeast to a point located on the easterly right-of-way line of said Bassel Street;

THENCE with said easterly right-of-way line Bassel Street, northwest to a point located on the southerly right-of-way line of Poplar Street;

THENCE leaving said right-of-way of Bassel Street and with said southerly right-of-way line of Poplar Street, northeast 630.00 feet to a point;

THENCE with a line perpendicular to said Poplar Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District;

THENCE with a line 600.00 feet east of said West Virginia Secondary Route 25, northeast to a point located 250.00 feet south of West Virginia Secondary Route 25/27;

THENCE with 4 new lines, 250.00 feet south of and parallel to said West Virginia Secondary Route 25/27, southeast crossing Doll Run 957.00 feet to a point;

THENCE North 52° 04' 14" East, a distance of 975.00 feet to a point;

THENCE North 30° 25' 00" West, a distance of 782.00 feet to a point located 340.00 feet east of Cherry Street;

THENCE with a line 340.00 feet east and parallel to said Cherry Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District on the east property line of Custer Addition;

THENCE north with said Custer Addition and 600.00 feet east and south of said West Virginia Secondary Route 25 to a point located in the center of said Arnold's Run;

THENCE with said Arnold's Run northwest to the POINT OF BEGINNING, as shown on a map attached hereto and made a part of this description prepared by Thrasher Engineering, Inc. entitled "Map Showing Revised Boundaries of the Mount Clare Road Public Service District" dated January, 1997.

SUMMIT PARK PUBLIC SERVICE DISTRICT

BEGINNING at a point in the Clarksburg Corporation Line, a point in the center of Murphy's Run on the north side of US Route 50;

THENCE with four lines of the said Corporation Line

North 1° West 450 feet,

North 81° West 1400 feet, to a point on the east right-of-way line of Pinnickinnick Street;

THENCE with two lines of said Pinnickinnick Street right-of-way line and Clarksburg Line

North 18° East 900 feet,

North 24° West 900 feet;

THENCE leaving said Pinnickinnick Street right-of-way line and Clarksburg Corporation Line North 48° West 1000 feet to a point on the top of the ridge;

THENCE with 12 lines along the top of the ridge;

North 5° West 2400 feet;
South 86° East 2400 feet;
South 58° East 1200 feet;
North 51° East 1000 feet;
North 14° West 700 feet;
North 23° East 600 feet;
North 31° East 900 feet;
South 51° East 1000 feet;
North 81° East 1000 feet;
North 53° East 1300 feet;
South 57° East 1200 feet;
South 43° East 2000 feet;

THENCE South 59° West 3900 feet to a centerline of the Baltimore and Ohio Railroad;

THENCE with the centerline of the railroad South 22° West 1050 feet;

THENCE leaving said railroad centerline South 52° East 2150 feet to the top of the ridge;

THENCE with the top of the ridge South 66° East 1250 feet to a point;

THENCE South 1150 feet to a point;

THENCE with a line approximately parallel with US Route 50, South 89° West 6000 feet to the beginning, containing 1010.56 acres.

SUN VALLEY PUBLIC SERVICE DISTRICT

BEGINNING at a point, it being the Northwesterly corner to the corporation line of the City of Clarksburg, Harrison County, West Virginia, having a latitude North 39° 17' 51" and longitude West 80° 22' 07";

THENCE with the corporate line of the City of Clarksburg South 23° 20' East 0.33 miles (1,742 feet), more or less, to the center of Old US Route No. 50 now Secondary State Route No. 11;

THENCE continuing with said corporate limits South 6° 20' West 3,400 feet, more or less, to a point in the District line between Clark and Coal Magisterial Districts;

THENCE with said District line in a westerly direction 1,100 feet to a point;

THENCE leaving said District line South 46° 10' West 4,200 feet to a point;

THENCE South 32° 05' East 2,300 feet to a point;

THENCE South 61° 50' West 10,450 feet, more or less, to the line between the Union and Clark Magisterial Districts;

THENCE with the Magisterial District line 3.7 miles (19,536 feet), more or less, to the intersection of West Virginia State Secondary Routes 33/2 and 33;

THENCE North 59° 30' West 1.7 miles (8,976 feet) to a point in the center of West Virginia State Route 31;

THENCE with State Route 31 crossing US Route 50 North 37° 10' East 1.0 mile (5,280 feet) to a point in West Virginia Secondary Route 5/14;

THENCE East 0.90 mile (4,752 feet) to the Magisterial District line between Ten Mile and Clark Magisterial Districts;

THENCE with said District line 1.7 miles (8,976 feet), more or less, to a point having a latitude of North 39° 18' 15" and longitude West 80° 26' 16";

THENCE East 2.6 miles (13,728 feet);

THENCE South 63° 00' East 1.4 mile (7,392 feet) to a place of beginning, containing an area of 15.06 square miles.

JANE LEW PUBLIC SERVICE DISTRICT

BEGINNING at a point on the county line between Harrison County and Lewis County, said point being on the watershed divide between McKenney Creek and Lost Creek watersheds at latitude 39° 6' 52" and longitude 80° 20' 55";

THENCE 16,000 feet, more or less, in a northeasterly direction along said watershed divide to the gap on WV Route 25 south of the Town of Lost Creek;

THENCE 4,500 feet, more or less, along the watershed divide between McKenny Run and Dick Run;

THENCE 9,000 feet, more or less, along the watershed divide between McKenny Run and Vens Run (tributaries of Hackers Creek) to the Lewis County and Harrison County line;

THENCE following said county line in an easterly direction 19,500 feet, more or less, to the point of beginning.

MUNICIPAL CORPORATIONS

The sewer service area of the municipal corporations of Anmoore, Bridgeport, Clarksburg, Nutter Fork, Salem, Shinnston, Stonewood, and West Milford shall be described as the area encompassing the corporate boundaries of said municipalities and areas outside of the corporate boundaries currently served by existing municipal sewer lines.

4. That on April 15, 1997, at the hour of 10:00 o'clock a.m./p.m., the Harrison County Commission shall meet in the Harrison County Courthouse at Clarksburg, West Virginia, for the purpose of conducting a public hearing on the proposed change of the name of Grant Union Public Service District to Greater Harrison County Public Service District, the merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Districts, and the enlargement of the sewer authority of Greater Harrison County Public Service District to include all areas within Harrison County not served by another public service district or incorporated municipality, at which time and place all persons residing in or owning or having any interest in property in the territory of the Grant Union Public Service District, Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service district or in the territory of the proposed expansion of the sewer service authority of Greater Harrison County Public Service District may appear before this County Commission and shall be provided an opportunity to be heard for or against the proposal.

5. That the Clerk of the Harrison County Commission shall cause notice of the hearing and a description of all of the territory of Grant Union Public Service District, Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District and the proposed expansion of the sewer service authority of Greater Harrison County Public Service District to be published as a Class I legal advertisement at least ten (10) days prior to the hearing.

6. That the Clerk of the Harrison County Commission shall cause a notice of the hearing and description of the territory of Grant Union Public Service District, Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District and the proposed expansion of the sewer service authority of Greater Harrison County Public Service District to be posted in at least five (5) conspicuous places within the territory of Grant Union Public Service District, Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District and the proposed expanded sewer service area of Greater Harrison County Public Service District.

7. That the Clerk of the County Commission shall cause a copy of this Resolution and Order to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten (10) days prior to the hearing set forth herein.

By the Order of the Harrison County Commission this day 20th of March, 1997.

HARRISON COUNTY COMMISSION

Thomas A. Heeley
PRESIDENT

COMMISSIONER

COMMISSIONER

ATTEST:

CLERK

01/16/97
RESOLUTION.01

STATE OF WEST VIRGINIA,

COUNTY OF HARRISON, TO-WIT:

I, SYLVIA BASILE, Clerk of the County Commission of Harrison County, West Virginia, do hereby certify that the foregoing is a true copy of the order entered in the above styled action on the 20th day of March, 1997.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Seal of this Commission, this the 20th day of March, 1997.

Sylvia Basile

Clerk of the County Commission of
Harrison County, West Virginia

BEFORE THE COUNTY COMMISSION OF HARRISON COUNTY

A RESOLUTION AND ORDER CHANGING THE NAME OF GRANT UNION PUBLIC SERVICE DISTRICT TO GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND ENLARGING THE SEWER SERVICE AUTHORITY OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

WHEREAS, the County Commission of Harrison County, West Virginia, did heretofore, by Resolution and Order adopted on March 20, 1997, propose the name change of Grant Union Public Service District to Greater Harrison County Public Service District; the merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District and the enlargement of the sewer service authority of Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or incorporated municipality; and,

WHEREAS, by said March 20, 1997, Resolution and Order, the Harrison County Commission did set a hearing on the proposed change of the name of the Grant Union Public Service District to Greater Harrison County Public Service District; the merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District; and the enlargement of the sewer authority of Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or incorporated municipality, required notice of said hearing be given by Class I legal publication in Harrison County and by posting of notice in at least five (5) conspicuous places within the territory of each of the respective districts, and required the Clerk of the Harrison County Commission to cause a copy of the Resolution and Order to be filed with the Executive Secretary of the Public Service Commission;

WHEREAS, following the adoption of the aforementioned Resolution and Order on March 20, 1997, the County Commission of Harrison County discovered that the aforementioned resolution erroneously excluded the Town of West Milford from the enlarged sewer service authority area of the Greater Harrison County Public Service District. The Town of West Milford is presently included in the sewer service area of Grant Union Public Service District. Accordingly, upon the creation of Greater Harrison County Public Service District, the Town of West Milford will necessarily be included in the sewer service authority area of Greater Harrison County Public Service District. This Resolution and Order properly reflects that the Town of West Milford is included within the sewer service authority area of Greater Harrison County Public Service District.

WHEREAS, notice of the April 15, 1997, hearing has been given in the manner provided and required by said Resolution and Order and by West Virginia Code § 16-13A-2, and all interested parties have been afforded an opportunity of being heard for and against the change of the name of Grant Union Public Service District to Greater Harrison County Public Service District; the merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope

Public Service District into Greater Harrison County Public Service District; and the enlargement of the sewer authority of Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or incorporated municipality, but no written protest has been filed by the requisite number of qualified voters registered and residing within the existing boundaries of the Districts, and said County Commission has given due consideration to all matters for which such hearing was offered;

WHEREAS, it is now deemed desirous by said County Commission to adopt a Resolution and Order, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts (as necessary), changing the name of Grant Union Public Service District to Greater Harrison County Public Service District, and enlarging the sewer authority of Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or incorporated municipality, for the preservation of the public health, comfort, and convenience for the areas presently served by the District; and

WHEREAS, it is now deemed desirous by said County Commission that the proposed merger of Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District be taken under advisement by this Commission for further consideration and review.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY, RESOLVED AND ORDERED by the County Commission of Harrison County as follows:

1. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia, and the bondholders of the District (as necessary) hereby changes the name of Grant Union Public Service District to Greater Harrison County Public Service District.

2. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the District (as necessary), expands the sewer authority of the Greater Harrison County Public Service District to include all areas within Harrison County not served by another public service district or incorporated municipality, particularly defined as the following areas:

ENLARGEMENT OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

The Greater Harrison County Public Service District sewer service area as enlarged shall be described as all the area encompassing the County of Harrison except the following service areas:

East View Public Service District
Enlarged Hepzibah Public Service District
Lake Floyd Public Service District
Lumberport Public Service District
Mt. Clare Public Service District
Summit Park Public Service District
Sun Valley Public Service District
Jane Lew Public Service District
Town of Anmoore
City of Bridgeport
City of Clarksburg
Town of Nutter Fort
City of Salem
City of Shinnston
Town of Stonewood

Specifically described hereinafter:

EAST VIEW PUBLIC SERVICE DISTRICT

BEGINNING at a point (#1) where the most westerly Corporation limit of Anmoore crosses WV Secondary Highway 23;

THENCE with the Corporation line of Anmoore in a southerly direction approximately 400 ft. to point (#2) where said Corporation limit crosses the Baltimore & Ohio Railroad tracks;

THENCE leaving the Corporation line of Anmoore along a ridge in a southwesterly direction 1500 feet to a point (#3) on the ridge;

THENCE along said ridge approximately 6000 feet to a point (#4) on the most easterly Corporation limit of the City of Clarksburg;

THENCE along said Corporation limit in a northerly direction approximately 3000 feet to a point (#5);

THENCE leaving the Corporation line of Clarksburg along a ridge in a easterly direction approximately 6000 feet to a point (#6) of intersection between a pipeline and a power line;

THENCE along the same ridge in a southerly direction approximately 5300 feet to a point (#7) on the northern Corporation line of the Town of Anmoore;

THENCE following said Corporation line in a westerly direction 500 feet to the northwest corner of the corporation line to point (#8) of the Town of Anmoore;

THENCE following said Corporation line in a southerly direction 300 feet to place of beginning.

ENLARGED HEPZIBAH PUBLIC SERVICE DISTRICT

BEGINNING at the Corporate limits of the City of Clarksburg at a point on said US Route No. 19;

THENCE in a northerly direction along said US Route No. 19 to the intersection of the Crooked Run Road designated as being State Route No. 19/10;

THENCE in a northwesterly direction along said Crooked Run Road, State Route 19/10, to the Harrison County Coal-Eagle Magisterial District Line;

THENCE in a northerly direction along said Coal-Eagle Magisterial District line to its point of intersection with the Baltimore and Ohio Railroad Company Tracks;

THENCE in a northerly direction along said railroad tracks to a point which is due West from the southern limits of the Town of Gypsy (to include all of the Town of Hughs):

THENCE due East to the West Fork River;

THENCE in a southerly direction along said West Fork River to the intersection of said River and the common intersection of Eagle, Clay, and Simpson Magisterial District lines;

THENCE in an easterly direction along Simpson District northerly boundary to the centerline intersection of said boundary and State Route 24/11;

THENCE south 10° East 14,780 ± to northern right-of-way line of Federal Route I-79;

THENCE along said right-of-way line in a westerly direction 3,300 feet ± to centerline of Simpson Creek;

THENCE along centerline of Simpson Creek and 1,000 feet distant south thereof meandering in a general north westerly direction to the intersection of a telephone cable right-of-way;

THENCE in a southerly direction along said telephone line to an angle point in said telephone line, said angle point being due East from the Northern limits of the Town of Hepzibah;

THENCE due West to a point in the West Fork River;

THENCE in a southerly direction along the meandering of said West Fork River to the Corporate line of the City of Clarksburg, West Virginia;

THENCE in a westerly direction along said Corporation line to the point of beginning.

LAKE FLOYD PUBLIC SERVICE DISTRICT

BEGINNING at the intersection of State Route 50/8, commonly known as Hall's Run Road and the westerly side of controlled access right-of-way of United States Route 50 and running;

THENCE South 64° 30' East 370 feet to a stake;
THENCE South 33° 40' West 630 feet to a stake;
THENCE South 61° 30' West 521 feet to a stake;
THENCE South 58° 00' West 2,543 feet to a stake;
THENCE South 30° 15' West 879 feet to a stake;
THENCE South 38° 11' West 1,289 feet to a stake;
THENCE North 39° 30' West 635 feet to a stake;
THENCE North 31° 40' East 730 feet to a stake;
THENCE North 45° 23' East 148 feet to a stake;
THENCE North 25° 23' East 225 feet to a stake;
THENCE North 10° 14' East 478 feet to a stake;
THENCE North 13° 30' East 422 feet to a stake;
THENCE North 53° 41' East 831 feet to a stake;
THENCE North 42° 52' East 441 feet to a stake;
THENCE North 68° 35' East 785 feet to a stake;
THENCE North 48° 51' East 485 feet to a stake;
THENCE North 23° 57' East 235 feet to a stake;
THENCE North 73° 40' East 479 feet to a stake;
THENCE North 85° 46' East 128 feet to a stake;
THENCE North 74° 30' East 720 feet to a stake;

THENCE South 15° 30' East 250 feet to the place of beginning.

LUMBERPORT AREA PUBLIC SERVICE DISTRICT

BEGINNING at a point in the center of Tenmile Creek (said point being a corner to the Short Line Public Service District

which corner bears North 62° 30' West 260 feet ± to the Chessie System Railroad tracks);

THENCE with a boundary line of the Short Line Public Service District North 62° 30' West 1,950 feet ± to a point;

THENCE leaving the Short Line Public Service District boundary North 1° 20' West 3,050 feet ± to the top of a ridge (elevation 1346');

THENCE North 37° 50' East 6,000 feet to a point which is 380 feet ± due west of Jack Run Road;

THENCE South 45° 30' East 2,150 feet ± to the top of a ridge;

THENCE South 55° 30' East 1,700 feet ± to a point in the center of the Lumberport-Haywood Bridge and being the center of Tenmile Creek;

THENCE with the meanders of Tenmile Creek downstream in a northeast direction 6,900 feet ± to a point in the boundary line of the Haywood Public Service District (said boundary line being the same line that divides Eagle and Clay Magisterial Districts);

THENCE with the Eagle and Clay Magisterial District line and the Haywood Public Service District boundary line in a southwesterly direction 5,400 feet ± to a point in the center of Tenmile Creek;

THENCE downstream with the meanders of Tenmile Creek in a westerly direction 2,240 feet ± to a point in the Lumberport corporation line;

THENCE with the Lumberport corporation line in a southwesterly direction 3,200 feet ± to a point in the center of Tenmile Creek;

THENCE upstream with the meanders of Tenmile Creek 5,450 feet ± to the point of beginning, containing 1,167 acres.

MT. CLARE ROAD PUBLIC SERVICE DISTRICT

BEGINNING at a point on the intersection of Arnold's Run and the northerly right-of-way line of West Virginia Secondary Route 25, said point being located on the corporation line of the City of Clarksburg;

THENCE with said northerly right-of-way line of West Virginia Secondary Route 25 at the centerline of the B & O--- Railroad track south to a point southwest of the intersection of said West Virginia Secondary Route 25 and West Virginia Secondary Route 25/17;

THENCE in a straight line, northeast to a point located 250.00 feet west of the centerline of Bassel Street;

THENCE with five new lines, 250.00 feet west of and parallel to said Bassel Street in a southerly direction, a distance of 660.00 feet to a point;

THENCE with a line perpendicular to said Bassel Street, northeast to a point located on the easterly right-of-way line of said Bassel Street;

THENCE with said easterly right-of-way line Bassel Street, northwest to a point located on the southerly right-of-way line of Poplar Street;

THENCE leaving said right-of-way of Bassel Street and with said southerly right-of-way line of Poplar Street, northeast 630.00 feet to a point;

THENCE with a line perpendicular to said Poplar Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District;

THENCE with a line 600.00 feet east of said West Virginia Secondary Route 25, northeast to a point located 250.00 feet south of West Virginia Secondary Route 25/27;

THENCE with 4 new lines, 250.00 feet south of and parallel to said West Virginia Secondary Route 25/27, southeast crossing Doll Run 957.00 feet to a point;

THENCE North 52° 04' 14" East, a distance of 975.00 feet to a point;

THENCE North 30° 25' 00" West, a distance of 782.00 feet to a point located 340.00 feet east of Cherry Street;

THENCE with a line 340.00 feet east and parallel to said Cherry Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District on the east property line of Custer Addition;

THENCE north with said Custer Addition and 600.00 feet east and south of said West Virginia Secondary Route 25 to a point located in the center of said Arnold's Run;

THENCE with said Arnold's Run northwest to the POINT OF BEGINNING, as shown on a map attached hereto and made a part of this description prepared by Thrasher Engineering, Inc. entitled "Map Showing Revised Boundaries of the Mount Clare Road Public Service District" dated January, 1997.

SUMMIT PARK PUBLIC SERVICE DISTRICT

BEGINNING at a point in the Clarksburg Corporation Line, a point in the center of Murphy's Run on the north side of US Route 50;

THENCE with four lines of the said Corporation Line

North 1° West 450 feet,

North 81° West 1400 feet, to a point on the east right-of-way line of Pinnickinnick Street;

THENCE with two lines of said Pinnickinnick Street right-of-way line and Clarksburg Line

North 18° East 900 feet,

North 24° West 900 feet;

THENCE leaving said Pinnickinnick Street right-of-way line and Clarksburg Corporation Line North 48° West 1000 feet to a point on the top of the ridge;

THENCE with 12 lines along the top of the ridge;

North 5° West 2400 feet;
South 86° East 2400 feet;
South 58° East 1200 feet;
North 51° East 1000 feet;
North 14° West 700 feet;
North 23° East 600 feet;
North 31° East 900 feet;
South 51° East 1000 feet;
North 81° East 1000 feet;
North 53° East 1300 feet;
South 57° East 1200 feet;
South 43° East 2000 feet;

THENCE South 59° West 3900 feet to a centerline of the Baltimore and Ohio Railroad;

THENCE with the centerline of the railroad South 22° West 1050 feet;

THENCE leaving said railroad centerline South 52° East 2150 feet to the top of the ridge;

THENCE with the top of the ridge South 66° East 1250 feet to a point;

THENCE South 1150 feet to a point;

THENCE with a line approximately parallel with US Route 50, South 89° West 6000 feet to the beginning, containing 1010.56 acres.

SUN VALLEY PUBLIC SERVICE DISTRICT

BEGINNING at a point, it being the Northwesterly corner to the corporation line of the City of Clarksburg, Harrison County, West Virginia, having a latitude North 39° 17' 51" and longitude West 80° 22' 07";

THENCE with the corporate line of the City of Clarksburg South 23° 20' East 0.33 miles (1,742 feet), more or less, to the center of Old US Route No. 50 now Secondary State Route No. 11;

THENCE continuing with said corporate limits South 6° 20' West 3,400 feet, more or less, to a point in the District line between Clark and Coal Magisterial Districts;

THENCE with said District line in a westerly direction 1,100 feet to a point;

THENCE leaving said District line South 46° 10' West 4,200 feet to a point;

THENCE South 32° 05' East 2,300 feet to a point;

THENCE South 61° 50' West 10,450 feet, more or less, to the line between the Union and Clark Magisterial Districts;

THENCE with the Magisterial District line 3.7 miles (19,536 feet), more or less, to the intersection of West Virginia State Secondary Routes 33/2 and 33;

THENCE North 59° 30' West 1.7 miles (8,976 feet) to a point in the center of West Virginia State Route 31;

THENCE with State Route 31 crossing US Route 50 North 37° 10' East 1.0 mile (5,280 feet) to a point in West Virginia Secondary Route 5/14;

THENCE East 0.90 mile (4,752 feet) to the Magisterial District line between Ten Mile and Clark Magisterial Districts;

THENCE with said District line 1.7 miles (8,976 feet), more or less, to a point having a latitude of North 39° 18' 15" and longitude West 80° 26' 16";

THENCE East 2.6 miles (13,728 feet);

THENCE South 63° 00' East 1.4 mile (7,392 feet) to a place of beginning, containing an area of 15.06 square miles.

JANE LEW PUBLIC SERVICE DISTRICT

BEGINNING at a point on the county line between Harrison County and Lewis County, said point being on the watershed divide between McKenney Creek and Lost Creek watersheds at latitude 39° 6' 52" and longitude 80° 20' 55";

THENCE 16,000 feet, more or less, in a northeasterly direction along said watershed divide to the gap on WV Route 25 south of the Town of Lost Creek;

THENCE 4,500 feet, more or less, along the watershed divide between McKenny Run and Dick Run;

THENCE 9,000 feet, more or less, along the watershed divide between McKenny Run and Vens Run (tributaries of Hackers Creek) to the Lewis County and Harrison County line;

THENCE following said county line in an easterly direction 19,500 feet, more or less, to the point of beginning.

MUNICIPAL CORPORATIONS

The sewer service area of the municipal corporations of Anmoore, Bridgeport, Clarksburg, Nutter Fork, Salem, Shinnston, and Stonewood shall be described as the area encompassing the corporate boundaries of said municipalities and areas outside of the corporate boundaries currently served by existing municipal sewer lines.

3. The Resolution and Order of this Commission adopted on March 20, 1997, proposing the actions undertaken by this Resolution and Order is hereby amended to reflect the inclusion of the Town of West Milford in the sewer service authority area of Greater Harrison County Public Service District.

4. The proposal to merge Lost Creek-Mt. Clare Public Service District and Valley of Good Hope Public Service District into Greater Harrison County Public Service District is hereby taken under advisement by this Commission for further consideration and review.

5. That the Clerk of the County Commission of Harrison County shall cause a copy of this Resolution and Order to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten (10) days following the adoption hereof.

Entered into the permanent record of Harrison County, West Virginia, this 15th day of April, 1997.

COUNTY COMMISSION OF
HARRISON COUNTY, WEST VIRGINIA

Thomas A. Keeley
PRESIDENT

COMMISSIONER

COMMISSIONER

ATTEST:

Sylvia Basile
CLERK

04/21/97
RESOLUTION.06
[illegible]

Entered into the permanent record of Harrison County, West Virginia, this 15th day of April, 1997.

COUNTY COMMISSION OF
HARRISON COUNTY, WEST VIRGINIA

Thomas A. Keeley
PRESIDENT

COMMISSIONER

COMMISSIONER

ATTEST:

Sylvia Basile
CLERK

04/21/97
RESOLUTION.06
38448/99.04

comfort and convenience of the areas currently within the territory of t two districts. Harrison County established a hearing date of Apri 1997. Harrison County published notice of the Harrison County hearing submitted the publication affidavit to the Commission on May 7, 1997.

The fourth resolution proposed changing the name of the Grant Uni Public Service District to the Greater Harrison County Public Servi District. The resolution would also merge the Lost Creek-Mt. Clare Publ Service District and the Valley of Good Hope Public Service District ir the new Greater Harrison County Public Service District. The resoluti also expands the service territory of the new Greater Harrison County Pub Service District to include all areas within Harrison County not provi sewer service by another public service district or incorporat municipality. Harrison County established a hearing date of April 15, 19 Harrison County published notice of the Harrison County hearing. submitted the publication affidavit to the Commission on May 7, 1997.

The fifth resolution proposed the dissolution of the sewer authority the Bingamon Public Service District, the Lost Creek-Mt. Clare Pub Service District, the Quiet Dell Public Service District, the Short L Public Service District and the Valley of Good Hope Public Service Distri Harrison County indicated that none of these districts currently have se facilities. Harrison County believes that the dissolution of se authority is necessary to preserve the health, comfort and convenience the residents who live in the service territories of the distric Harrison County established a hearing date of April 15, 1997. Harri County published notice of the Harrison County hearing. It submitted publication affidavit to the Commission on May 7, 1997.

The sixth resolution proposed the reduction in the boundaries of Short Line Public Service District. Harrison County believes that suc reduction is necessary to preserve the health, comfort and convenience the residents of the District. Harrison County set a hearing date of Ap 10, 1997. Harrison County published notice of the hearing. It submit the publication affidavit to the Commission on May 7, 1997.

On April 17, 1997, Harrison County filed resolutions which indica that hearings were held as scheduled concerning all of the resoluti described above except the fourth resolution. Harrison County indica that, after proper publication and hearing, it determined that resolutions should be adopted.

On April 17, 1997, the Marion County Commission (Marion County) fi resolutions related to the efforts of Harrison County to consolidate pub service districts.

The first resolution filed by Marion County proposed the merger of O.J.W. Public Service District into the Bingamon Public Service Distri Marion County indicated that the merger was necessary for the preservat of public health, comfort and convenience for the residents of districts. Marion County set a hearing date of April 14, 1997. Mar County published notice of the hearing. It submitted a publicat affidavit to the Commission on May 7, 1997.

The second resolution filed by Marion County proposed the dissoluti of the authority of the O.J.W. Public Service District to acquire or opera sewer facilities. The O.J.W. Public Service District does not currently o or operate any sewer facilities. Marion County believes that t dissolution of the district is necessary for the preservation of publ health, comfort and convenience of the residents in the O.J.W. Publ Service District territory. Marion County set a hearing date of April 1 1997. Marion County published notice of the Marion County hearing. filed the publication affidavit with the Commission on May 7, 1997.

Also on April 25, 1997, Harrison County filed a resolution and ord indicating that Harrison County had held the hearing set for April 1 1997, on the fourth resolution discussed above. Harrison County adopted t fourth resolution with two significant modifications. First, the resoluti was modified to include the Town of West Milford within the Greater Harris County Public Service District. The second modification was that Harris County decided not to merge the Lost Creek-Mt. Clare Public Service Distri and Valley of Good Hope Public Service District into the renamed a enlarged Greater Harrison Public Service District.

On May 20, 1997, Staff issued its Final Joint Staff Memorandum. Sta outlined the proceeding and indicated that it would file a fin recommendation at a later date.

By Procedural Order of June 2, 1997, the matter was set for hearing Clarksburg on July 21, 1997, and in Fairmont on July 22, 1997. T Procedural Order also required both Harrison County and Marion County publish notice of the hearing.

On July 14, 1997, Marion County filed a copy of its order affirming t actions of Harrison County related to the Coons Run Public Service Distric the O.J.W. Public Service District, and the Bingamon Public Servi District.

The hearing set for Harrison County on July 21, 1997, was held scheduled.[1] John C. Stump, Esquire, appeared for Harrison County. James Kelsh, Esquire, appeared for Staff.

Several members of the public offered testimony at the hearing. Walt Conners from Nutter Fort testified that he was not opposed to a county-wi sewer district, because he believes that the sewer district would clean streams in the county. (Tr. 6-7). He objects to the fact that publ service district board members are appointed by county commissions, stati that the system results in poorly operated public service districts. (T 7). However, Mr. Conners understood that the way that board members a appointed is a matter of state law which could not be changed in th proceeding. (Tr. 8).

Greg Robertson lives in the Lake Ridge area of Bridgeport. (Tr. 9 Mr. Robertson offered his support to the formation of the Greater Harris

[1]All references to the transcript in this recommended decision refer to the transcript of the hearing held in Harrison County on July 21, 1997.

County Public Service District. (Tr. 10). Mr. Robertson had purchased la in Harrison County, but ran into trouble with developing it becau inadequate sewer service. (Tr. 10). Several subdivisions near Robertson's property have environmental problems related to inadequate nonexistent sewer service, including Lakeland Terrace, Lakeland Park a Augusta Park. (Tr. 10). Mr. Robertson approached numerous county, city, a state officials about helping to provide sewer service to the area, but was always directed to go to some other official. (Tr. 11). Mr. Roberts believes that a county-wide sewer district is a good thing, not just f Harrison County, but for the entire state, and he requested that the matt be expedited. (Tr. 11). Mr. Robertson believes that it will be difficult attract employers or good employees to the area without adequa infrastructure. (Tr. 12).

Gary Fluharty is the Chairman of the Sun Valley Public Servi District. (Tr. 14). Mr. Fluharty wanted to be reassured that the Sun Val Public Service District was not being consolidated in these petitions. (14). Harrison County reassured Mr. Fluharty that Sun Valley was n included in the consolidation and was indeed specifically excluded from t territory of the Greater Harrison County Public Service District. (Tr. 1 With that understanding, Mr. Fluharty voiced his support for the creation the district given that much of the county is without sewer service. (16).

Paul Hamrick indicated that Harrison County is experiencing lots growth, but the lack of sewer service was limiting that development. (17). Many of Harrison County's communities are dying because new homes never built because of a lack of public sewer service. (Tr. 17). Hamrick indicated that it is difficult to sell properties in communit which do not have public sewer. (Tr. 17). He also indicated t communities all over the county dump raw sewage directly into the West F River. (Tr. 17). Mr. Hamrick supported the development of a Grea Harrison County Public Service District. (Tr. 18).

Terri Ann Schulte, the executive director of the Harrison Cou Planning Commission, assisted in posting notice of the various resoluti around the county and in each public service district impacted by various resolutions. (Tr. 20). Harrison County Exhibit No. 4 consists o list of the various locations where posting occurred. Ms. Schulte indica that many areas in the county need sewer service. The top priority providing service is for the Arlington, Glen Falls, Gore area. (Tr. 2 Ms. Schulte believes that the creation of the Greater Harrison County Pub Service District will improve the county's access to public dollars. (23). A larger district will mean a greater customer base, better econom of scale and a higher level of professionalism and sophistication. (Tr. 2

James Boggess, a Utilities Analyst, testified for Staff. Mr. Bogg corrected the Further Final Internal Memorandum by stating that the O. and Bingamon Public Service Districts would be merged completely by resolutions of Harrison and Marion Counties. (Tr. 27). Mr. Bogg testified that Harrison and Marion Counties had complied with Commission's requirements concerning the consolidation and notice of hearings. (Tr. 27-28). In the Further Final Internal Memorandum, recommended that the petitions of Harrison and Marion County be appro (See Staff Exhibit No. 1).

Harrison County offered the resolution from Marion County whi affirmed the actions of Harrison County related to the Bingamon Publ Service District; the resolution of Harrison County which affirmed th actions of Marion County dissolving the authority of the O.J.W. Publ Service District to operate sewer facilities; and affidavits of publicati for the hearing from the *Clarksburg Telegram*, the *Clarksburg Exponent*, a the *Times West Virginian*.

The hearing set for Marion County on July 22, 1997, was held scheduled. The same parties entered appearances. No member of the publ appeared at the hearing to offer comment.

DISCUSSION

Harrison County has taken steps to develop a county-wide sewer publ service district which includes all areas of the county which do not ha public sewer. Harrison County has also merged some districts. Mari County has affirmed all actions which involve public service districts whi extend into Marion County. No individual has expressed opposition to t modifications.

The evidence demonstrates that, by developing a county-wide sew district, the county has improved its chance to provide much needed sew service to all areas of Harrison County. (See Tr. 6-28). By creating larg more viable districts, Harrison County enhances its ability to improve t infrastructure and the quality of life for its residents.

Harrison and Marion Counties have published appropriate notice of the actions and have complied with all relevant requirements of the W.Va. Co and Commission Rules and Regulations. The orders which are the subject this proceeding should be approved by the Commission.

FINDINGS OF FACT

1. On March 31, 1997, the Harrison County Commission (Harris County) filed a petition for Commission consent and approval of vario orders which consolidated or modified public service district boundaries Harrison County. (See petition and orders filed March 31, 1997).

2. The first Harrison County order merged the O.J.W. Public Servi District into the Bingamon Public Service District. (See petition a order).

3. The second Harrison County order dissolved the authority of t Coons Run Public Service District to construct and operate sewer facilitie (See petition and order).

4. The third Harrison County order dissolved the Country Cl Addition Public Service District and the Lodgeville-Courtright Publ Service District. (See petition and order).

5. The Clarksburg Water Board has assumed responsibility for and currently operating the facilities of the Country Club Addition Publ Service District. (See petition).

6. The fourth Harrison County order changed the name of the Gr Union Public Service District to the Greater Harrison County Public Se District and expands the service territory of the new Greater Ha County Public Service District to include all areas within Harrison Cou not provided sewer service by another public service district incorporated municipality with the exception of the Town of West Mil which is included in the district. (See petition and order).

7. The fifth Harrison County order dissolved the sewer authority the Bingamon Public Service District, the Lost Creek-Mt. Clare Pub Service District, the Quiet Dell Public Service District, the Short I Public Service District and the Valley of Good Hope Public Service Distri (See petition and order).

8. Harrison County indicated that none of the districts in the fi order currently have sewer facilities. (See petition and order).

9. The sixth Harrison County order reduced the boundaries of Short Line Public Service District. (See petition and order).

10. The O.J.W. Public Service District, the Coons Run Public Ser District and the Bingamon Public Service District are located in both Ma and Harrison Counties. (See petition and order).

11. Marion County issued orders which reaffirmed the Harrison Co actions on each of the districts which were partially located in Ma County. (See Marion County orders).

12. By developing a county-wide sewer district, Harrison County improved its chance to provide much needed sewer service to all area Harrison County. (See Tr. 6-28)

13. Commission Staff recommended approval of the orders of Harrison and Marion Commissions. (See Staff Ex. 1).

14. No member of the public testifying at the Commission hea expressed opposition to the proposed action of Harrison and Marion Count (See transcripts).

CONCLUSIONS OF LAW

1. Harrison and Marion Counties have complied with W.Va. Code 13A-2 and Rule 6.4 of the Commission's Rules and Regulations for Government of Public Service Districts.

2. The Harrison and Marion County orders which are the subjec this proceeding are in the public interest and should be approved.

ORDER

IT IS, THEREFORE, ORDERED that the following orders adopted Harrison County Commission and the Marion County Commission, be, and are approved:

1. The Harrison and Marion County orders of April 10, 1997, and July 9, 1997, respectively, merging the O.J.W. Public Service District into the Bingamon Public Service District.

2. The Harrison and Marion County orders of April 10, 1997, and July 9, 1997, respectively, dissolving the authority of the Coons Run Public Service District to construct and operate sewer facilities.

3. The Harrison County order of April 10, 1997, dissolving the Country Club Addition Public Service District and the Lodgeville-Courtright Public Service District.

4. The Harrison County order of April 15, 1997, changing the name of the Grant Union Public Service District to the Greater Harrison County Public Service District and expanding the service territory of the new Greater Harrison County Public Service District to include all areas within Harrison County not provided sewer service by another public service district or incorporated municipality.

5. The Harrison and Marion County orders of April 15, 1997, and July 18, 1997, respectively, dissolving the sewer authority of the Bingamon Public Service District.

6. The Harrison County order of April 15, 1997, dissolving the sewer authority of the Lost Creek-Mt. Clare Public Service District, the Quiet Dell Public Service District, the Short Line Public Service District and the Valley of Good Hope Public Service District.

7. The Harrison County order of April 10, 1997, reducing the boundaries of the Short Line Public Service District.

The Executive Secretary hereby is ordered to serve a copy of this or upon the Commission Staff by hand delivery, and upon all parties of rec by United States Certified Mail, return receipt requested.

Leave hereby is granted to the parties to file written excepti supported by a brief with the Executive Secretary of the Commission wit fifteen (15) days of the date this order is mailed. If exceptions filed, the parties filing exceptions shall certify to the Execut Secretary that all parties of record have been served the exceptions.

If no exceptions are filed, this order shall become the order of Commission, without further action or order, five (5) days following expiration of the fifteen (15) day time period, unless it is ordered sta or postponed by the Commission.

Any party may request waiver of the right to file exceptions to Administrative Law Judge's order by filing an appropriate petition in writ with the Executive Secretary. No such waiver will be effective un approved by order of the Commission, nor shall any such waiver operate make any Administrative Law Judge's Order or Decision the order of

Commission sooner than five (5) days after approval of such waiver by Commission.

K. A. George

Keith A. George
Administrative Law Judge

KAG:s

DAYTON LEGAL BLANK, INC.

County Commission

Resolution and Order - Merger of Mt. Clare Road PSD into Greater Harrison County PSD - Setting Date for Hearing

BEFORE THE COUNTY COMMISSION OF HARRISON COUNTY

A RESOLUTION AND ORDER PROPOSING THE MERGER OF THE MOUNT CLARE ROAD PUBLIC SERVICE DISTRICT INTO THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT; FIXING A DATE OF HEARING ON THE PROPOSED MERGER; PROVIDING FOR NOTICE OF SUCH HEARING

WHEREAS, the County Commission of Harrison County deems it necessary and desirable to merge, where practicable, the public service districts in Harrison County to provide both better and more cost-effective service to the residents of Harrison County, and

WHEREAS, the Board of the Mt. Clare Road Public Service District has petitioned the Harrison County Commission to merge the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District, and

WHEREAS, the Public Service Commission of West Virginia has recommended the merger of the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District, and

WHEREAS, pursuant to the provisions of Article 13A, Chapter 16 of the West Virginia Code, the Harrison County Commission is empowered to, upon its own motion by order duly adopted, propose the merger of public service districts located within the County in order to preserve the public health, comfort and convenience of the areas within the public service districts, and

WHEREAS, the Harrison County Commission, after considerable deliberation, has decided that the proposed merger of Mt. Clare Road Public Service District into the Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia an the agreement of the bondholders of the Mt. Clare Road Public Service District, is necessary for the preservation of the public health, comfort and convenience for the areas presently served by the said Districts.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY RESOLVED AND ORDERED by the County Commission of Harrison County as follows:

1. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Mt. Clare Road Public Service District, proposes the merger of the Mt. Clare Road Public Service District into Greater Harrison County Public Service District. The presently existing public service districts are particularly defined as the following areas:

DAYTON LEGAL BLANK, INC.

MT. CLARE ROAD PUBLIC SERVICE DISTRICT

BEGINNING at a point on the intersection of Arnold's Run and the northerly right-of-way line of West Virginia Secondary Route 25, said point being located on the corporation line of the City of Clarksburg;

THENCE with said northerly right-of-way line of West Virginia Secondary Route 25 at the centerline of the B & O Railroad track south to a point southwest of the intersection of said West Virginia Secondary Route 25 and West Virginia Secondary Route 25/17;

THENCE in a straight line, northeast to a point located 250.00 feet west of the centerline of Bassel Street;

THENCE with five new lines, 250.00 feet west of and parallel to said Bassel Street in a southerly direction, a distance of 660.00 feet to a point;

THENCE with a line perpendicular to said Bassel Street, northeast to a point located on the easterly right-of-way line of said Bassel Street;

THENCE with said easterly right-of-way line Bassel Street, northwest to a point located on the southerly right-of-way line of Poplar street;

THENCE leaving said right-of-way of Bassel Street and with said southerly right-of-way line of Poplar Street, northeast 630.00 feet to a point;

THENCE with a line perpendicular to said Poplar Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District;

THENCE with a line 600.00 feet east of said West Virginia Secondary Route 25, northeast to a point located 250.00 feet south of West Virginia Secondary Route 25/27;

THENCE with 4 new lines, 250.00 feet south of and parallel to said West Virginia Secondary Route 25/27, southeast crossing Doll Run 957.00 feet to a point;

THENCE, North 52° 04' 14" East a distance of 975.00 feet to a point;

THENCE, North 30° 25' 00" West a distance of 782.00 feet to a point located 340.00 feet east of Cherry Street;

THENCE with a line 340.00 feet east and parallel to said Cherry Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District on the east property line of Custer Addition;

THENCE north with said Custer Addition and 600.00 feet east and south of said West Virginia Secondary Route 25 to a point located in the center of said Arnold's Run;

THENCE with said Arnold's Run northwest to the POINT OF BEGINNING, as shown on a map attached hereto and made a part of this description prepared by Thrasher Engineering, Inc., entitled "Map Showing Revised Boundaries of the Mount Clare Road Public Service District" dated January 1997.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

The Greater Harrison County Public Service District sewer service area as enlarged shall be described as all the area encompassing the County of Harrison except the following service areas:

East View Public Service District
Enlarged Hepzibah Public Service District
Lake Floyd Public Service District
Lumberport Public Service District
Mt. Clare Public Service District
Summit Park Public Service District
Sun Valley Public Service District
Jane Lew Public Service District
Town of Anmoore
City of Bridgeport
City of Clarksburg
Town of Nutter Fort
City of Salem
City of Shinnston
Town of Stonewood
Town of West Milford

specifically described hereinafter:

EAST VIEW PUBLIC SERVICE DISTRICT

BEGINNING at a point (#1) where the most westerly corporation limit of Anmoore crosses WV Secondary Highway 23;

THENCE with the corporation line of Anmoore in a southerly direction approximately 400 ft. to point (#2) where said Corporation limit crosses the Baltimore & Ohio Railroad tracts;

THENCE leaving the corporation line of Anmoore along a ridge in a southwesterly direction 1500 feet to a point (#3) on the ridge;

THENCE along said ridge approximately 6000 feet to a point (#4) on the most easterly corporation limit of the City of Clarksburg;

THENCE along said corporation limit in a northerly direction approximately 3000 feet to a point (#5);

THENCE leaving the corporation line of Clarksburg along a ridge in a easterly direction approximately 6000 feet to a point (#6) of intersection between a pipeline and a power line;

THENCE along the same ridge in a southerly direction approximately 5300 feet to a point (#7) on the northern corporation line of the Town of Anmoore;

THENCE following said corporation line in a westerly direction 500 feet to the northwest corner of the corporation line to point (#8) of the Town of Anmoore:

THENCE following said corporation line in a southerly direction 300 feet to the place of beginning.

ENLARGED HEPZIBAH PUBLIC SERVICE DISTRICT

BEGINNING at the corporate limits of the City of Clarksburg at a point on said US Route 19;

THENCE in a northerly direction along said US Route 19 to the intersection of the Crooked Run Road designated as being State Route No. 19/10;

THENCE in a northwesterly direction along said Crooked Run Road, State Route 19/10, to the Harrison County Coal-Eagle Magisterial District Line;

THENCE in a northerly direction along said Coal-Eagle Magisterial District line to its point of intersection with the Baltimore and Ohio Railroad Company Tracks;

THENCE in a northerly direction along said railroad tracks to a point which is due west from the southern limits of the unincorporated areas of Gypsy and Hughes (see Note below);

THENCE due east to the West Fork River;

THENCE in a southerly direction along said West Fork River to the intersection of said River and the common intersection of Eagle, Clay and Simpson Magisterial District lines;

THENCE in an easterly direction along Simpson District northerly boundary to the centerline intersection of said boundary and State Route 24/11;

THENCE south 10° East 14,780 ± to northern right-of-way line of Federal Route I-79;

THENCE along said right-of-way line in a westerly direction 3,300 ± to centerline of Simpson Creek;

THENCE along centerline of Simpson Creek and 1,000 feet distant south thereof meandering in a general northwesterly direction to the intersection of a telephone cable right-of-way;

THENCE in a southerly direction along said telephone line to an angle point in said telephone line, said angle point being due east from the northern limits of the unincorporated area of Hepzibah (see Note below);

THENCE due west to a point in the West Fork River;

THENCE in a southerly direction along the meandering of said West Fork River to the corporate line of the City of Clarksburg, West Virginia;

DAYTON LEGAL BLANK, INC.

THENCE in a westerly direction along said corporation line to the POINT OF BEGINNING.
NOTE: The above described public service district being the same as previously described with the exception of omitting "Town of",and adding "incorporated area(s) of".

LAKE FLOYD PUBLIC SERVICE DISTRICT

BEGINNING at the intersection of State Route 50/8, commonly known as Hall's Run Road, and the westerly side of controlled access right-of-way of US Route 50 and running
THENCE South 64° 30' East 370 feet to a stake;
THENCE South 33° 40' West 630 feet to a stake;
THENCE South 61° 30' West 521 feet to a stake;
THENCE South 58° 00' West 2,543 feet to a stake;
THENCE South 30° 15' West 879 feet to a stake;
THENCE South 38° 11' West 1,289 feet to a stake;
THENCE North 39° 30' West 635 feet to a stake;
THENCE North 31° 40' East 730 feet to a stake;
THENCE North 45° 23' East 148 feet to a stake;
THENCE North 25° 23' East 225 feet to a stake;
THENCE North 10° 14' East 478 feet to a stake;
THENCE North 13° 30' East 422 feet to a stake;
THENCE North 53° 41' East 831 feet to a stake;
THENCE North 42° 52' East 441 feet to a stake;
THENCE North 68° 35' East 785 feet to a stake;
THENCE North 48° 51' East 485 feet to a stake;
THENCE North 23° 57' East 235 feet to a stake;
THENCE North 73° 40' East 479 feet to a stake;
THENCE North 85° 46' East 128 feet to a stake;
THENCE North 74° 30' East 720 feet to a stake;
THENCE South 15° 30' East 250 feet to the place of beginning.

LUMBERPORT AREA PUBLIC SERVICE DISTRICT

BEGINNING at a point in the center of Tenmile Creek (said point being a corner to the Short Line Public Service District which corner bears North 62° 30' West 260 feet ± to the Chessie System Railroad tracks);

THENCE with a boundary line of the Short Line Public Service District North 62° 30' West 1,950 feet ± to a point;

THENCE leaving the Short Line Public Service District boundary North 1° 20' West 3,050 feet ± to the top of a ridge (elevation 1346 feet);

DAYTON LEGAL BLANK, INC.

THENCE North 37° 50' East 6000 feet to a point which is 380 feet ± due west of Jack Run Road;

THENCE South 45° 30' East 2,150 feet ± to the top of a ridge;

THENCE South 55° 30' East 1,700 feet ± to a point in the center of the Lumberport-Haywood Bridge and being the center of Tenmile Creek;

THENCE with the meanders of Tenmile Creek downstream in a northeast direction 6,900 feet ± to a point in the boundary line of the Haywood Public Service District (said boundary line being the same line that divides Eagle and Clay Magisterial Districts);

THENCE with the Eagle and Clay Magisterial District line and the Haywood Public Service District boundary line in a southwesterly direction 5,400 feet ± to a point in the center of Tenmile Creek;

THENCE downstream with the meanders of Tenmile Creek in a westerly direction 2,240 feet ± to a point in the Lumberport corporation line;

THENCE with the Lumberport corporation line in a southwesterly direction 3,200 feet ± to a point in the center of Tenmile Creek;

THENCE upstream with the meanders of Tenmile Creek 5,450 feet ± to the point of beginning, containing 1,167 acres.

MT. CLARE ROAD PUBLIC SERVICE DISTRICT

BEGINNING at a point on the intersection of Arnold's Run and the northerly right-of-way line of West Virginia Secondary Route 25, said point being located on the corporation line of the City of Clarksburg;

THENCE with said northerly right-of-way line of West Virginia Secondary Route 25 at the centerline of the B & O Railroad track south to a point southwest of the intersection of said West Virginia Secondary Route 25 and West Virginia Secondary Route 25/17;

THENCE in a straight line, northeast to a point located 250.00 feet west of the centerline of Bassel Street;

THENCE with five new lines, 250.00 feet west of and parallel to said Bassel Street in a southerly direction, a distance of 660.00 feet to a point;

THENCE with a line perpendicular to said Bassel Street, northeast to a point located on the easterly right-of-way line of said Bassel Street;

THENCE with said easterly right-of-way line Bassel Street, northwest to a point located on the southerly right-of-way line of Poplar Street;

DAYTON LEGAL BLANK, INC.

THENCE leaving said right-of-way of Bassel Street and with said southerly right-of-way line of Poplar Street, northeast 630.00 feet to a point;

THENCE with a line perpendicular to said Poplar Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District;

THENCE with a line 600.00 feet east of said West Virginia Secondary Route 25, northeast to a point located 250.00 feet south of West Virginia Secondary Route 25/27;

THENCE with 4 new lines, 250.00 feet south of and parallel to said West Virginia Secondary Route 25/27, southeast crossing Doll Run 957.00 feet to a point;

THENCE North 52° 04' 14" East, a distance of 975.00 feet to a point;

THENCE North 30° 25' 00" West, a distance of 782.00 feet to a point located 340.00 feet east of Cherry Street;

THENCE with a line 340.00 feet east and parallel to said Cherry Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District on the east property line of Custer Addition;

THENCE north with said Custer Addition and 600.00 feet east and south of said West Virginia Secondary Route 25 to a point located in the center of said Arnold's Run;

THENCE with said Arnold's Run northwest to the POINT OF BEGINNING, as shown on a map attached hereto and made a part of this description prepared by Thrasher Engineering, Inc., entitled "Map Showing Revised Boundaries of the Mount Clare Road Public Service District" dated January 1997.

SUMMIT PARK PUBLIC SERVICE DISTRICT

BEGINNING at a point in the Clarksburg Corporation Line, a point in the center of Murphy's Run on the north side of US Route 50;

THENCE with four lines of the said Corporation Line

North 1° West 450 feet,

North 81° West 1400 feet, to a point on the east right-of-way line of Pinnickinnick Street;

THENCE with two lines of said Pinnickinnick Street right-of-way line and Clarksburg Line

North 18° East 900 feet,

North 24° West 900 feet,

DAYTON LEGAL BLANK, INC.

THENCE leaving said Pinnickinnick Street right-of-way line and Clarksburg Corporation Line North 48° West 1000 feet to a point on the top of the ridge;

THENCE with 12 lines along the top of the ridge;
North 5° West 2400 feet,
South 86° East 2400 feet,
South 58° East 1200 feet,
North 51° East 1000 feet,
North 14° West 700 feet,
North 23° East 600 feet,
North 31° East 900 feet,
South 51° East 1000 feet,
North 81° East 1000 feet,
North 53° East 1300 feet,
South 57° East 1200 feet,
South 43° East 2000 feet,

THENCE South 59° West 3900 feet to a centerline of the Baltimore and Ohio Railroad;

THENCE with the centerline of the railroad South 22° West 1050 feet;

THENCE leaving said railroad centerline South 52° East 2150 feet to the top of the ridge;

THENCE with the top of the ridge South 66° East 1250 feet to a point;

THENCE South 1150 feet to a point;

THENCE with a line approximately parallel with US Route 50, South 89° West 6000 feet to the beginning, containing 1010.56 acres.

SUN VALLEY PUBLIC SERVICE DISTRICT

BEGINNING at a point, it being the northwesterly corner to the corporation line of the City of Clarksburg, Harrison County, West Virginia having a latitude of North 39° 17' 51" and longitude West 80° 22' 07";

THENCE with the corporate line of the City of Clarksburg South 23° 20' East 0.33 miles (1,742 feet), more or less, to the center of Old US Route 50, now Secondary State Route No. 11;

THENCE continuing with said corporate limits South 6° 20' West 3,400 feet, more or less, to a point in the District line between Clark and Coal Magisterial District;

THENCE with said District line in a westerly direction 1,100 feet to a point;

DAYTON LEGAL BLANK, INC.

THENCE leaving said District line South 46° 10' West 4,200 feet to a point;

THENCE South 32° 05' East 2,300 feet to a point;

THENCE South 61° 50' West 10,450 feet, more or less, to the line between the Union and Clark Magisterial Districts;

THENCE with the Magisterial District line 3.7 miles (19,536) feet, more or less, to the intersection of West Virginia State Secondary Routes 33/2 and 33;

THENCE North 59° 30' West 1.7 miles (8,976 feet) to a point in the center of West Virginia State Route 31;

THENCE with State Route 31 crossing US Route 50 North 37° 10' East 1.0 mile (5,280 feet) to a point in West Virginia Secondary Route 5/14;

THENCE East 0.90 mile (4,752 feet) to the Magisterial District line between Tenmile and Clark Magisterial Districts;

THENCE with said District line 1.7 miles (8,976 feet) more or less to a point having a latitude of North 39° 18' 15" and longitude West 80° 26' 16";

THENCE East 2.6 miles (13,728 feet);

THENCE South 63° 00' East 1.4 mile (7,392 feet) to a place of beginning, containing an area of 15.06 square miles.

JANE LEW PUBLIC SERVICE DISTRICT

BEGINNING at a point on the County line between Harrison County and Lewis County, said point being on the watershed divide between McKenney Creek and Lost Creek watersheds at latitude 39° 6' 52" and longitude 80° 20' 55";

THENCE 16,000 feet, more or less, in a northeasterly direction along said watershed divide to the gap on WV Route 25 south of the Town of Lost Creek;

THENCE 4,500 feet, more or less, along the watershed divide between McKenney Run and Dick Run;

THENCE 9,000 feet, more or less, along the watershed divide between McKenney Run and Vens Run (tributaries of Hackers Creek) to the Lewis County and Harrison County line;

THENCE following said county line in an easterly direction 19,500 feet, more or less, to the point of beginning.

MUNICIPAL CORPORATIONS

The sewer service area of the municipal corporations of Anmoore, Bridgeport, Clarksburg, Nutter Fort, Salem, Shinnston and

Stonewood shall be described as the area encompassing the corporate boundaries of said municipalities and areas outside of the corporate boundaries currently served by existing municipal sewer lines.

2. That on September 22, 1998, at the hour of 10:00 a.m. o'clock a.m., the Harrison County Commission shall meet in the Harrison County Courthouse at Clarksburg, West Virginia, for the purpose of conducting a public hearing on the proposed merger of the Mt. Clare Road Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Mt. Clare Road Public Service District, at which time and place all persons residing in or owning or having an interest in property in the territory of the Mt. Clare Road Public Service District or in the territory of the Greater Harrison County Public Service District may appear before this County Commission and shall be provided an opportunity to be heard for or against the proposal.

3. That the Clerk of the Harrison County Commission shall cause notice of the hearing and a description of the territory of the Mt. Clare Road Public Service District to be published as a Class I legal advertisement at least ten (10) days prior to the meeting.

4. That the Clerk of the Harrison County Commission shall cause a notice of the hearing and description of the Mt. Clare Road Public Service District to be posted in at least five (5) conspicuous places within the territory of the Mt. Clare Road Public Service District and the Greater Harrison County Public Service District.

5. That the Clerk of the Harrison County commission shall cause a copy of this Resolution and Order to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten (10) days after the hearing set forth therein.

By the Order of the Harrison County Commission this day, August 20, 1998.

HARRISON COUNTY COMMISSION

Thomas A. Furby
President

Commissioner

Commissioner

ATTEST:

Clerk of the County Commission

DAYTON LEGAL BLANK, INC.

County Commission

Resolution and Order Merging the Mt. Clare Road PSD into Greater Harrison County PSD

BEFORE THE COUNTY COMMISSION OF HARRISON COUNTY, WEST VIRGINIA

A RESOLUTION AND ORDER MERGING THE MT. CLARE ROAD PUBLIC SERVICE DISTRICT INTO THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

WHEREAS, the County Commission of Harrison County, West Virginia, did heretofore, by Resolution and Order adopted on August 20, 1998, propose the merger of the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District; and

WHEREAS, by said August 20, 1998, Resolution and Order, the Harrison County Commission did set a hearing on the proposed merger of the Mt. Clare Public Service District into the Greater Harrison County Public Service District, required notice of said hearing to be given by Class I legal publication in Harrison County, West Virginia, and by posting of notice in at least five (5) conspicuous places within the territory of the Mt. Clare Road Public Service District, and required the Clerk of the Harrison County Commission to cause a copy of the Resolution and Order to be filed with the Executive Secretary of the Public Service Commission of West Virginia; and

WHEREAS, notice of the September 22, 1998, hearing has been given in the manner provided and required by said Resolution and Order and by West Virginia Code Chapter 16, Article 13-A, Section 2, and all interested parties have been afforded an opportunity of being heard for and against the proposed merger of the Mt. Clare Public Service District into the Greater Harrison County Public Service District, and said County Commission has given due consideration to all matters for which such hearing was offered; and

WHEREAS, it is now deemed desirous by said County Commission to adopt a Resolution and Order, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Mt. Clare Road Public Service District for the preservation of the public health, comfort and convenience of the areas presently served by said Districts.

NOW, THEREFORE, BE IT AND IT IS, HEREBY RESOLVED AND ORDERED by the County Commission of Harrison County as follows:

1. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Mt. Clare Road Public Service District, merges the Mt. Clare Road Public Service District into the Greater Harrison County Public Service. The presently existing public service districts are particularly defined as the following areas:

MT. CLARE ROAD PUBLIC SERVICE DISTRICT

BEGINNING at a point on the intersection of Arnold's Run and the northerly right-of-way line of West Virginia Secondary Route 25, said point being located on the corporation line of the City of Clarksburg,

THENCE with said northerly right-of-way line of West Virginia Secondary Route 25 at the centerline of the B & O Railroad track south to a point southwest of the intersection of said West Virginia Secondary Route 25 and West Virginia Secondary Route 25/17;

THENCE in a straight line, northeast to a point located 250.00 feet west of the centerline of Bassel Street;

THENCE with five new lines, 250.00 feet west of and parallel to said Bassel Street in a southerly direction, a distance of 660.00 feet to a point;

THENCE with a line perpendicular to said Bassel Street, northeast to a point located on the easterly right-of-way line of said Bassel Street;

THENCE with said easterly right-of-way line Bassel Street, northwest to a point located on the southerly right-of-way line of Poplar street;

THENCE leaving said right-of-way of Bassel Street and with said southerly right-of-way line of Poplar Street, northeast 630.00 feet to a point;

THENCE with a line perpendicular to said Poplar Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District;

THENCE with a line 600.00 feet east of said West Virginia Secondary Route 25, northeast to a point located 250.00 feet south of West Virginia Secondary Route 25/27;

THENCE with 4 new lines, 250.00 feet south of and parallel to said West Virginia Secondary Route 25/27, southeast crossing Doll Run 957.00 feet to a point;

THENCE, North 52° 04' 14" East a distance of 975.00 feet to a point;

THENCE, North 30° 25' 00" West a distance of 782.00 feet to a point located 340.00 feet east of Cherry Street;

THENCE with a line 340.00 feet east and parallel to said Cherry Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District on the east property line of Custer Addition;

THENCE north with said Custer Addition and 600.00 feet east and south of said West Virginia Secondary Route 25 to a point located in the center of said Arnold's Run;

THENCE with said Arnold's Run northwest to the POINT OF BEGINNING, as shown on a map attached hereto and made a part of this description prepared by Thrasher Engineering, Inc., entitled "Map Showing Revised Boundaries of the Mount Clare Road Public Service District" dated January 1997.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

The Greater Harrison County Public Service District sewer service area as enlarged shall be described as all the area encompassing the County of Harrison except the following service areas:

East View Public Service District
Enlarged Hepzibah Public Service District

Lake Floyd Public Service District
Lumberport Public Service District
Mt. Clare Public Service District
Summit Park Public Service District
Sun Valley Public Service District
Jane Lew Public Service District
Town of Anmoore
City of Bridgeport
City of Clarksburg
Town of Nutter Fort
City of Salem
City of Shinnston
Town of Stonewood
Town of West Milford

specifically described hereinafter:

EAST VIEW PUBLIC SERVICE DISTRICT

BEGINNING at a point (#1) where the most westerly corporation limit of Anmoore crosses WV Secondary Highway 23;

THENCE with the corporation line of Anmoore in a southerly direction approximately 400 ft. to point (#2) where said Corporation limit crosses the Baltimore & Ohio Railroad tracts;

THENCE leaving the corporation line of Anmoore along a ridge in a southwesterly direction 1500 feet to a point (#3) on the ridge;

THENCE along said ridge approximately 6000 feet to a point (#4) on the most easterly corporation limit of the City of Clarksburg;

THENCE along said corporation limit in a northerly direction approximately 3000 feet to a point (#5);

THENCE leaving the corporation line of Clarksburg along a ridge in a easterly direction approximately 6000 feet to a point (#6) of intersection between a pipeline and a power line;

THENCE along the same ridge in a southerly direction approximately 5300 feet to a point (#7) on the northern corporation line of the Town of Anmoore;

THENCE following said corporation line in a westerly direction 500 feet to the northwest corner of the corporation line to point (#8) of the Town of Anmoore;

THENCE following said corporation line in a southerly direction 300 feet to the place of beginning.

ENLARGED HEPZIBAH PUBLIC SERVICE DISTRICT

BEGINNING at the corporate limits of the City of Clarksburg at a point on said US Route 19;

THENCE in a northerly direction along said US Route 19 to the intersection of the Crooked Run Road designated as being State Route No. 19/10;

THENCE in a northwesterly direction along said Crooked Run Road, State Route 19/10, to the Harrison County Coal-Eagle Magisterial District Line;

THENCE in a northerly direction along said Coal-Eagle Magisterial District line to its point of intersection with the Baltimore and Ohio Railroad Company Tracks;

THENCE in a northerly direction along said railroad tracks to a point which is due west from the southern limits of the unincorporated areas of Gypsy and Hughes (see Note below);

THENCE due east to the West Fork River;

THENCE in a southerly direction along said West Fork River to the intersection of said River and the common intersection of Eagle, Clay and Simpson Magisterial District lines;

THENCE in an easterly direction along Simpson District northerly boundary to the centerline intersection of said boundary and State Route 24/11;

THENCE south 10° East 14,780 ± to northern right-of-way line of Federal Route I-79;

THENCE along said right-of-way line in a westerly direction 3,300 ± to centerline of Simpson Creek;

THENCE along centerline of Simpson Creek and 1,000 feet distant south thereof meandering in a general northwesterly direction to the intersection of a telephone cable right-of-way;

THENCE in a southerly direction along said telephone line to an angle point in said telephone line, said angle point being due east from the northern limits of the unincorporated area of Hepzibah (see Note below);

THENCE due west to a point in the West Fork River;

THENCE in a southerly direction along the meandering of said West Fork River to the corporate line of the City of Clarksburg, West Virginia;

THENCE in a westerly direction along said corporation line to the POINT OF BEGINNING.

NOTE: The above described public service district being the same as previously described with the exception of omitting "Town of",and adding "incorporated area(s) of".

LAKE FLOYD PUBLIC SERVICE DISTRICT

BEGINNING at the intersection of State Route 50/8, commonly known as Hall's Run Road, and the westerly side of controlled access right-of-way of US

Route 50 and running

THENCE South 64° 30' East 370 feet to a stake;
THENCE South 33° 40' West 630 feet to a stake;
THENCE South 61° 30' West 521 feet to a stake;
THENCE South 58° 00' West 2,543 feet to a stake;
THENCE South 30° 15' West 879 feet to a stake;
THENCE South 38° 11' West 1,289 feet to a stake;
THENCE North 39° 30' West 635 feet to a stake;
THENCE North 31° 40' East 730 feet to a stake;
THENCE North 45° 23' East 148 feet to a stake;
THENCE North 25° 23' East 225 feet to a stake;
THENCE North 10° 14' East 478 feet to a stake;
THENCE North 13° 30' East 422 feet to a stake;
THENCE North 53° 41' East 831 feet to a stake;
THENCE North 42° 52' East 441 feet to a stake;
THENCE North 68° 35' East 785 feet to a stake;
THENCE North 48° 51' East 485 feet to a stake;
THENCE North 23° 57' East 235 feet to a stake;
THENCE North 73° 40' East 479 feet to a stake;
THENCE North 85° 46' East 128 feet to a stake;
THENCE North 74° 30' East 720 feet to a stake;
THENCE South 15° 30' East 250 feet to the place of beginning.

LUMBERPORT AREA PUBLIC SERVICE DISTRICT

BEGINNING at a point in the center of Tenmile Creek (said point being a corner to the Short Line Public Service District which corner bears North 62° 30' West 260 feet ± to the Chessie System Railroad tracks);

THENCE with a boundary line of the Short Line Public Service District North 62° 30' West 1,950 feet ± to a point;

THENCE leaving the Short Line Public Service District boundary North 1° 20' West 3,050 feet ± to the top of a ridge (elevation 1346 feet);

THENCE North 37° 50' East 6000 feet to a point which is 380 feet ± due west of Jack Run Road;

THENCE South 45° 30' East 2,150 feet ± to the top of a ridge;

THENCE South 55° 30' East 1,700 feet ± to a point in the center of the Lumberport-Haywood Bridge and being the center of Tenmile Creek;

THENCE with the meanders of Tenmile Creek downstream in a northeast direction 6,900 feet ± to a point in the boundary line of the Haywood Public Service District (said boundary line being the same line that divides Eagle and Clay Magisterial Districts);

THENCE with the Eagle and Clay Magisterial District line and the Haywood Public Service District boundary line in a southwesterly direction 5,400 feet ± to a

DAYTON LEGAL BLANK, INC.

point in the center of Tenmile Creek;

THENCE downstream with the meanders of Tenmile Creek in a westerly direction 2,240 feet ± to a point in the Lumberport corporation line;

THENCE with the Lumberport corporation line in a southwesterly direction 3,200 feet ± to a point in the center of Tenmile Creek;

THENCE upstream with the meanders of Tenmile Creek 5,450 feet ± to the point of beginning, containing 1,167 acres.

MT. CLARE ROAD PUBLIC SERVICE DISTRICT

BEGINNING at a point on the intersection of Arnold's Run and the northerly right-of-way line of West Virginia Secondary Route 25, said point being located on the corporation line of the City of Clarksburg;

THENCE with said northerly right-of-way line of West Virginia Secondary Route 25 at the centerline of the B & O Railroad track south to a point southwest of the intersection of said West Virginia Secondary Route 25 and West Virginia Secondary Route 25/17;

THENCE in a straight line, northeast to a point located 250.00 feet west of the centerline of Bassel Street;

THENCE with five new lines, 250.00 feet west of and parallel to said Bassel Street in a southerly direction, a distance of 660.00 feet to a point;

THENCE with a line perpendicular to said Bassel Street, northeast to a point located on the easterly right-of-way line of said Bassel Street;

THENCE with said easterly right-of-way line Bassel Street, northwest to a point located on the southerly right-of-way line of Poplar Street;

THENCE leaving said right-of-way of Bassel Street and with said southerly right-of-way line of Poplar Street, northeast 630.00 feet to a point;

THENCE with a line perpendicular to said Poplar Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District;

THENCE with a line 600.00 feet east of said West Virginia Secondary Route 25, northeast to a point located 250.00 feet south of West Virginia Secondary Route 25/27;

THENCE with 4 new lines, 250.00 feet south of and parallel to said West Virginia Secondary Route 25/27, southeast crossing Doll Run 957.00 feet to a point;

THENCE North 52° 04' 14" East, a distance of 975.00 feet to a point;

THENCE North 30° 25' 00" West, a distance of 782.00 feet to a point located 340.00 feet east of Cherry Street;

THENCE with a line 340.00 feet east and parallel to said Cherry Street, northwest to a point located on the original boundary line of said Mount Clare Road Public Service District on the east property line of Custer Addition;

THENCE north with said Custer Addition and 600.00 feet east and south of said West Virginia Secondary Route 25 to a point located in the center of said

Arnold's Run;

THENCE with said Arnold's Run northwest to the POINT OF BEGINNING, as shown on a map attached hereto and made a part of this description prepared by Thrasher Engineering, Inc., entitled "Map Showing Revised Boundaries of the Mount Clare Road Public Service District" dated January 1997.

SUMMIT PARK PUBLIC SERVICE DISTRICT

BEGINNING at a point in the Clarksburg Corporation Line, a point in the center of Murphy's Run on the north side of US Route 50;

THENCE with four lines of the said Corporation Line

North 1° West 450 feet,

North 81° West 1400 feet, to a point on the east right-of-way line of Pinnickinnick Street;

THENCE with two lines of said Pinnickinnick Street right-of-way line and Clarksburg Line

North 18° East 900 feet,

North 24° West 900 feet,

THENCE leaving said Pinnickinnick Street right-of-way line and Clarksburg Corporation Line North 48° West 1000 feet to a point on the top of the ridge;

THENCE with 12 lines along the top of the ridge;

North 5° West 2400 feet,

South 86° East 2400 feet,

South 58° East 1200 feet,

North 51° East 1000 feet,

North 14° West 700 feet,

North 23° East 600 feet,

North 31° East 900 feet,

South 51° East 1000 feet,

North 81° East 1000 feet,

North 53° East 1300 feet,

South 57° East 1200 feet,

South 43° East 2000 feet,

THENCE South 59° West 3900 feet to a centerline of the Baltimore and Ohio Railroad;

THENCE with the centerline of the railroad South 22° West 1050 feet;

THENCE leaving said railroad centerline South 52° East 2150 feet to the top of the ridge;

THENCE with the top of the ridge South 66° East 1250 feet to a point;

THENCE South 1150 feet to a point;

THENCE with a line approximately parallel with US Route 50, South 89° West 6000 feet to the beginning, containing 1010.56 acres.

SUN VALLEY PUBLIC SERVICE DISTRICT

BEGINNING at a point, it being the northwesterly corner to the corporation line of the City of Clarksburg, Harrison County, West Virginia having a latitude of North 39° 17' 51" and longitude West 80° 22' 07";

THENCE with the corporate line of the City of Clarksburg South 23° 20' East 0.33 miles (1,742 feet), more or less, to the center of Old US Route 50, now Secondary State Route No. 11;

THENCE continuing with said corporate limits South 6° 20' West 3,400 feet, more or less, to a point in the District line between Clark and Coal Magisterial District;

THENCE with said District line in a westerly direction 1,100 feet to a point;

THENCE leaving said District line South 46° 10' West 4,200 feet to a point;

THENCE South 32° 05' East 2,300 feet to a point;

THENCE South 61° 50' West 10,450 feet, more or less, to the line between the Union and Clark Magisterial Districts;

THENCE with the Magisterial District line 3.7 miles (19,536) feet, more or less, to the intersection of West Virginia State Secondary Routes 33/2 and 33;

THENCE North 59° 30' West 1.7 miles (8,976 feet) to a point in the center of West Virginia State Route 31;

THENCE with State Route 31 crossing US Route 50 North 37° 10' East 1.0 mile (5,280 feet) to a point in West Virginia Secondary Route 5/14;

THENCE East 0.90 mile (4,752 feet) to the Magisterial District line between Tenmile and Clark Magisterial Districts;

THENCE with said District line 1.7 miles (8,976 feet) more or less to a point having a latitude of North 39° 18' 15" and longitude West 80° 26' 16";

THENCE East 2.6 miles (13,728 feet);

THENCE South 63° 00' East 1.4 mile (7,392 feet) to a place of beginning, containing an area of 15.06 square miles.

JANE LEW PUBLIC SERVICE DISTRICT

BEGINNING at a point on the County line between Harrison County and Lewis County, said point being on the watershed divide between McKenney Creek and Lost Creek watersheds at latitude 39° 6' 52" and longitude 80° 20' 55";

THENCE 16,000 feet, more or less, in a northeasterly direction along said watershed divide to the gap on WV Route 25 south of the Town of Lost Creek;

THENCE 4,500 feet, more or less, along the watershed divide between McKenney Run and Dick Run;

THENCE 9,000 feet, more or less, along the watershed divide between McKenney Run and Vens Run (tributaries of Hackers Creek) to the Lewis County and Harrison County line;

THENCE following said county line in an easterly direction 19,500 feet,

DAYTON LEGAL BLANK, INC

more or less, to the point of beginning.

MUNICIPAL CORPORATIONS

The sewer service area of the municipal corporations of Anmoore, Bridgeport, Clarksburg, Nutter Fort, Salem, Shinnston and Stonewood shall be described as the area encompassing the corporate boundaries of said municipalities and areas outside of the corporate boundaries currently served by existing municipal sewer lines.

2. That the Clerk of the Harrison County Commission shall cause a copy of this Resolution and Order to be filed with the Executive Secretary of the Public Service Commission not less than ten (10) days following the adoption thereof.

Entered into the permanent record of Harrison County, West Virginia, this the 22nd day of September, 1998.

HARRISON COUNTY COMMISSION

Thomas A. Tichy
President

Commissioner

Commissioner

ATTEST:

County Clerk

It is ordered that the Commission be adjourned until Tuesday, September 29, 1998 at 10:00 o'clock a.m.

. President

ORIGINAL

ENTERED
OB 99-C Page _____

981230alj020599.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
2-25-99

Entered: February 5, 1999

CASE NO. 98-1230-PSD-PC

HARRISON COUNTY COMMISSION
Petition for consent and approval to merge the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District.

RECOMMENDED DECISION

On October 2, 1998, the Harrison County Commission (Harrison County) filed a petition with the Public Service Commission for approval of the merger of the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District.

By Order dated October 26, 1998, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before April 29, 1999.

On November 20, 1998, Staff Attorney James V. Kelsh, Esquire, filed the Final Joint Staff Memorandum to which was attached the Final Internal Memorandum prepared by Mr. Randy Lengyel, Utilities Analyst II, Water and Wastewater Division. Staff recommended that the Commission approve the petition of the Harrison County Commission, subject to the following:

1. The Greater Harrison County Public Service District be required to place the cash assets of the Mt. Clare Road Public Service District into a separate interest-bearing account for repairs, replacements and extensions to the Mt. Clare Road Public Service District;

2. After the Mt. Clare Road Public Service District's debts are paid in full, any cash surplus should be deposited into the Mt. Clare Road Public Service District cash account;

3. Following the merger, the Greater Harrison County Public Service District should continue to charge the current rates of the Mt. Clare Road Public Service District to the former Mt. Clare Road Public Service District customers until otherwise ordered by the Commission, in accordance with Rule 31 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle.

5. At the hearing held in this matter on January 26, 1999, no one appeared in protest to the Harrison County Commission petition. (See Tr., p. 6).

CONCLUSION OF LAW

Since the Harrison County Commission gave notice of the hearing to be held on its petition on January 26, 1999, in accordance with the Commission's requirements and no one appeared at said hearing to give protest to the petition, the petition of the Harrison County Commission filed on October 2, 1998, seeking approval of the merger of Mt. Clare Road Public Service District into the Greater Harrison County Public Service District can be approved, subject to the Staff-recommended conditions as set forth in Appendix A to this order.

ORDER

IT IS, THEREFORE, ORDERED that the order of the Harrison County Commission, dated September 22, 1998, and filed on October 2, 1998, merging the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District, be, and the same hereby is, approved, subject to the conditions as set forth in Appendix A to this order.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:mal
981230AA.WPD

APPENDIX A

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

CASE NO. 98-1230-PSD-PC

HARRISON COUNTY COMMISSION.
Petition for consent and approval to merge the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District.

CONDITIONS OF MERGER

1. The Greater Harrison County Public Service District shall place the cash assets of the Mt. Clare Road Public Service District into a separate interest-bearing account for repairs, replacements and extensions to the Mt. Clare Road Public Service District;

2. After the Mt. Clare Road Public Service District's debts are paid in full, any cash surplus shall be deposited into the Mt. Clare Road Public Service District cash account;

3. Following the merger, the Greater Harrison County Public Service District shall continue to charge the current rates of the Mt. Clare Road Public Service District to the former Mt. Clare Road Public Service District customers until otherwise ordered by the Commission, in accordance with Rule 31 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle.

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in GENERAL ORDER Book No. 72 at Page 206, of said records.

Given under my hand and Seal of said Office this 1st day of April 2004.

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

At a regular meeting of the County Commission of Harrison County, continued and held at the Courthouse thereof, Thursday, December 11, 2003, Commissioners Diaz, Angotti and Watson being present thereat, the following order was made and entered, to-wit:

ORDERS — Commissioners Harrison County, W. Va.

Session Held THURSDAY, DECEMBER 11, 20 03

CASTO & HARRIS, INC., SPENCER, W. VA. RE-ORDER NO. 134838-03

William L. Coffindaffer — Reappointed Member of Greater Harrison Public Service District

WHEREAS, the term of office of William L. Coffindaffer as a member of the Greater Harrison Public Service District Board did expire on December 9, 2003; and,

WHEREAS, the County Commission has reappointed William L. Coffindaffer as such member aforesaid;

Thereupon came William L. Coffindaffer and accepted said office or trust and took the oath prescribed by law, for a term office beginning December 11, 2003 through December 9, 2009.

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in GENERAL ORDER Book No. 72 at Page 206, of said records.

Given under my hand and Seal of said Office this 1st day of April 2004, .

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

At a regular meeting of the County Commission of Harrison County, continued and held at the Courthouse thereof, on Thursday, December 11, 2003, Commissioners Diaz, Angotti and Watson being present thereat, the following order was made and entered to-wit:

Evan Hugus — Reappointed Member of Greater Harrison Public Service District

WHEREAS, the term of office of Evan Hugus as a member of the Greater Harrison Public Service District Board expired on November 19, 2003; and,

WHEREAS, the County Commission has reappoined Evan Hughs as such member aforesaid;

Thereupon came Evan Hugus and accepted said office or trust and took the oath prescribed by law, for a term of office beginning December 11, 2003 and continuing until November 19, 2009.

ORDERS—Commissioners Harrison County, W. Va.

Session Held FRIDAY, JANUARY 12, 20 01

CASTO & HARRIS INC., SPENCER, W. VA. RE-ORDER NO 8315-8-00

STATE OF WEST VIRGINIA,

In the presence of the Clerk of the Harrison County Commission

In vacation of the Commission, FRIDAY, JANUARY 12, 2001:

NO BUSINESS TRANSACTED BY THE CLERK.

Attest:

_____, Clerk

STATE OF WEST VIRIGNIA,

In the presence of the Clerk of the Harrison County Commission

In vacation of the Commission, TUESDAY, JANUARY 16, 2001:

Ralph L. Miller Granted Minister's License

Upon application of Ralph L. Miller, who proved to the satisfaction of the Clerk that he is an ordained minister of the United Methodist Church, it is ordered that the said Ralph L. Miller, who was ordained on the _____ day of _____, 19___, be and he is hereby granted a license to solemnize the rites of marriage in all the Counties of this State.

No bond was required of said Ralph L. Miller, who presented proof of his ordination by said church.

James L. Scudere Qualified as Member of Greater Harrison Public Service Dist.

This day came James L. Scudere, who had been previously appointed as a member of the Greater Harrison Public Service District, and accepted said office or trust and took the oath prescribed by law.

The term of office of Mr. Scudere will commence on January 16, 2001 and continue until January 16, 2006.

William Jody Derrickson — Qualified as Member of Greater Harrison Public Service Dist.

This day came William Jody Derrickson, who was previously appointed as a member of the Greater Harrison Public Service District to fill the unexpired term of Sharon Muthig, and accepted said office or trust and took the oath prescribed by law.
His term of office will continue until September 14, 2005.

Received Time Jun.23. 3:32PM

CLAIMS -- ALLOWED CONTINUED	
ENHANCED 9-1-1 EQUIPMENT	$ ----------
ASSESSORS" VALUATION FUND	33,040.18
CONCEALED WEAPONS PERMITS	----------
VOTERS REGISTRATION FUND	----------
COMMUNITY CRIMINAL JUSTICE	----------
FEDERAL FORFEITURE	----------
SPECIAL LAW ENFORCEMENT	----------
FEMA HAZARD MITIGATION GRANT	----------
WV DEPUTY SHERIFFS RETIREMENT FUND	1,326.50
GRAND TOTAL	$ 1,093,295.37

Gregory D. Robertson — Re-Appointed Member of Greater Harrison Public Service District Board

This day came Gregory D. Robertson, who was heretofore re-appointed as a member of the Greater Harrison Public Service District Board, and accepted said office or trust and took the oath prescribed by law for a Six-year (6) term continuing until August 2008.

Angelo Moschella — Appointed Member of The Enlarged Hepzibah Public Service District Board

This day came Angelo Moschella, who was this day, appointed as a Member of the Enlarged Hepzibah Public Service District Board for a term of Six (6) years, and accepted said office or trust and took the oath prescribed by law

His term of office to continue until August 12, 2008.

Roger Diaz

Appointed Member of Local Elected Officials of the Workforce Investment Board.

This day came Roger Diaz, who was appointed a member of the Local Elected Officials of the Workforce Investment Board, to fill the vacancy caused by the resignation of Beth Taylor as such member, and accepted said office or trust and took the oath prescribed by law.

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in bond and Oath Book No. 35 at Page 423, of said records.

Given under my hand and Seal of said Office this 1st day of April 2004.

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

Instrument 200300049740 Book 35 Page 423

OATH OF OFFICE AND CERTIFICATE

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

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

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

Signature of Affiant William L. Coffindaffer
William L. Coffindaffer

Subscribed and sworn to before me, in said County and State, this 11th day of December 2003.

Roger Diaz, President

Frank "Chunki" Angotti, Member

Ronald R. Watson, Member

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in Bond and Oath Book No. 35 at Page 424, of said records.

Given under my hand and Seal of said Office this 1st day of april, 2004.

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

Instrument 200300049741 Book 35 Page 424

OATH OF OFFICE AND CERTIFICATE

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

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

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

Signature of Affiant Evan Hugus
Evan Hugus

Subscribed and sworn to before me, in said County and State, this 11th day of December 2003.

Roger Diaz, President

Frank "Chunki" Angotti, Member

Ronald R. Watson, Member

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in BOND & OATH Book No. 35 at Page 49, of said records.

Given under my hand and Seal of said Office this 13 day of May, 2003.

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

OATH OF OFFICE AND CERTIFICATE

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

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

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

Signature of Affiant
Gregory D. Robertson

Subscribed and sworn to before me, in said County and State, this 12th day of August 2002.

Beth Taylor, President

Roger Diaz, Member

James D. Smith, Jr., Member

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in OATH Book No. 13 at Page 312, of said records.

Given under my hand and Seal of said Office this 13 day of May, 2003.

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

13 312

OATH OF OFFICE AND CERTIFICATE

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

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

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

Signature of Affiant James L Scudere
James L Scudere

Subscribed and sworn to before me, in said County and State, this 16th day of January 2001.

Beth Taylor, President

Thomas A. Keeley, Member

Roger Diaz, Member

STATE OF WEST VIRGINIA,

County of Harrison:

I, SYLVIA BASILE, Clerk of the Harrison County Commission do hereby certify that the foregoing writing is a true and accurate copy as appears of record in my office in OATH Book No. 13 at Page 313, of said records.

Given under my hand and Seal of said Office this 13 day of May 2003.

Sylvia Basile

Clerk, Harrison County Commission

CC-P-11

OATH OF OFFICE AND CERTIFICATE

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

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

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

Signature of Affiant William Jody Derrickson

Subscribed and sworn to before me, in said County and State, this 16th day of January 2001.

Beth Taylor, President

Thomas A. Keeley, Member

Roger Diaz, Member

RULES OF PROCEDURE

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT.

Section 2. The principal office of this Public Service District will be located at Highland Dam Road, West Milford, Harrison County, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Greater Harrison County Public Service District, and in the center "seal" as follows:

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

ARTICLE II

PURPOSE

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

ARTICLE III

MEMBERSHIP

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

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

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

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

Section 3. Unless otherwise agreed, notice to members of regular meetings shall not be required. Unless otherwise waived, notice of each special meeting of the membership shall be given to all members by the Secretary by fax, telephone, mail or other satisfactory means at least 3 days before the date fixed for such special meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the date, time, place and agenda of all regularly scheduled meetings of such Public Service Board, and the date, time, place and purpose of all special meetings of such Public Service Board, shall be made available, in advance, to the public and news media (except in the event of an emergency requiring immediate action) as follows:

A. Regular Meetings. A notice shall be posted and maintained by the Secretary of the Public Service Board of the Public Service District at the front door or bulletin board of the Harrison County Courthouse and at the front door or bulletin board of the place fixed for regular meetings of the Public Service Board of the date, time and place fixed and entered of record by the Public Service Board for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same locations by the Secretary of the Public Service Board not less than 72 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. A notice shall be posted by the Secretary of the Public Service Board at the front door or bulletin board of the Harrison County Courthouse and at the front door or bulletin board of the place fixed for the regular meetings of the Public Service Board not less than 72 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

ARTICLE V

OFFICERS

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

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

ARTICLE VI

DUTIES OF OFFICERS

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

Section 2. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman, sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the minute book, be the custodian of the Common Seal of the District and all deeds and other writings and papers of the Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office or as may be conferred from time to time by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 3. The Treasurer shall be the lawful custodian of all funds of the District and shall disburse funds of the District on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman, Secretary or Treasurer is absent from any meeting, the remaining members of the Board shall select a temporary chairman, secretary

or treasurer, as necessary, who shall have all of the powers of the absent officer during such period of absence.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

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

These Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the District.

Adopted this 18th day of June, 2003.

Notice is hereby given pursuant to the requirements of West Virginia Code §16-13A-25 of the intent of the Greater Harrison County Public Service District, a public utility, to file an application with the Public Service Commission for a certificate of convenience and necessity to and installation of new water line, a water storage tank with tank foundation, a booster station, a telemetry system and a pressure reducing station in Harrison County.

The District proposes to extend its existing water distribution system to serve approximately 67 new customers in the Johnstown area of southeastern Harrison County. This area was formerly served by Lost Creek - Mt. Clare Public Service District, which has been merged into the Greater Harrison County Public Service District.

The Project will consist of the construction of approximately 30,850 linear feet of new water line, a 32,000 gallon storage tank with tank foundation, a 40 gpm booster station, a telemetry system, and a pressure reducing station, with proposed construction estimated to be $763,000.00.

The District intends to finance the costs of the Project with a loan from the West Virginia Drinking Infrastructure & Jobs Development Council for a period of time not to exceed forty (40) years at an interest rate not to exceed 0% in a principal amount of $703,000.00. The balance of $60,000 will be paid by Greater Harrison Public Service District. At the present time the District intends to seek a loan from the Harrison County Commission to obtain the $60,000.00.

The District currently has a case pending before the Public Service Commission to consolidate it's water rates in Case No. 00-1878-PWD-42T. The project may require an increase in rates, depending on the rates that are approved in the pending rate case. The following water rates and charges are the proposed rates in the rate case:

APPLICABILITY

Applicability for general domestic, commercial, industrial service.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, industrial service.

RATES

First 3,000 gallons used per month	$6.93 per 1,000 gallons
Next 3,000 gallons used per month	$6.53 per 1,000 gallons
Next 4,000 gallons used per month	$6.13 per 1,000 gallons
Next 15,000 gallons used per month	$5.41 per 1,000 gallons
All over 25,000	$4.82 per 1,000 gallons

MINIMUM CHARGE

No bill will be rendered for less than the following amounts according to the size of the meter installed, to wit:

5/8 inch meter	$ 10.75 per month
3/4 inch meter	$ 15.44 per month
1 inch meter	$ 27.54 per month
1-1/2 inch meter	$ 61.93 per month
2 inch meter	$ 110.01 per month
3 inch meter	$ 247.56 per month
4 inch meter	$ 440.33 per month
6 inch meter	$1,149.98 per month

The above minimum payment charges are subject to an additional $4.35 per 1,000 gallons used per month.

DELAYED PAYMENT PENALTY

The above tariff is net. On all current usage billings not paid within twenty (20) days, ten per cent (10%) charge will be added to the net amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

DISCONTINUANCE OF SERVICE

If any bill is not paid within thirty (30) days of the billing date, water service for the customer shall be discontinued after having first complied with the Public Service Commission Rules and Regulations for Government Water Utilities.

RECONNECTION CHARGE

On shutting off the service, water service shall not be restored until at least all past due water bills have been paid in full and all accrued penalties, plus a reconnection charge of $25.00 have been paid.

MAP FEE

$250.00

LEAK ADJUSTMENT RATE

$2.51 per 1,000 gallons. To be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate is to be applied to the excess consumption above the customer's historical average usage.

SALE FOR RESALE RATE

Available for all water delivered to water utilities for resale.

Gallons Metered $2.90 per 1,000 gallons

This Project will be submitted for approval of the Public Service Commission in the District's formal application. It is anticipated that the formal application will be filed no earlier than thirty days after the second publication of this notice, upon which formal application the Public Service Commission may grant its consent and approval for the Certificate and the plan of financing (under the provisions of Chapter 16 and Chapter 24 of the West Virginia Code). Such approval may be granted without hearing if no protest is received by the Public Service Commission within thirty (30) days of the filing of the formal application. Written protests should be directed to Ms. Sandra Squire, Executive Secretary, Public Service Commission of West Virginia, PO Box 812, Charleston, West Virginia 25323.

GREATER HARRISON COUNTY
PUBLIC SERVICE DISTRICT

Clarksburg, WV 26302-2009 |
r Commission Expires Ju

PUBLISHER'S CERTIFICATE

_____

vs.

_____

STATE OF WEST VIRGINIA,

COUNTY OF HARRISON

I, SARA V. SHINGLETON

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

NOTICE OF FILING

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

commencing on the 19 day of January 20 01

and ending on the 26 day of January 20 01

The publisher's fee for said publication is $ 130.22

Given under my hand this 29 day of January 2001

Sara V. Shingleton
Classified Manager of The Clarksburg Exponent

SEAL

Subscribed and sworn to before me this 29 day of January, 20 01

Shelley J. Riffle
Notary Public in and for Harrison County, WV.

My commission expires on the 21 day of July 2009.

Form CA-15 E

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered by the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 25th day of March, 2002.

CASE NO. 01-0040-PWD-CN

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public utility. Application for a certificate of convenience and necessity to construct and install a new water line, a water storage tank with tank foundation, a booster station, a telemetry system, and a pressure reading station in Harrison County.

NOTICE OF FILING

WHEREAS, on March 25, 2002, the Greater Harrison County Public Service District filed an application, duly verified, for a certificate to construct certain additions and improvements to the water system in the Johnstown area of Harrison County. The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, in Charleston, West Virginia.

WHEREAS, the Greater Harrison County Public Service District (District) estimates that the construction will cost approximately $703,000.00. It is proposed that the construction will be financed as follows: a loan from the West Virginia Infrastructure and Jobs Development Council in the amount of $703,000.00 at 0% interest with a term of 40 years.

WHEREAS, the utility anticipates that a rate increase will not be required for this project.

Pursuant to §24-2-11, West Virginia Code, IT IS ORDERED that the Greater Harrison County Public Service District give notice of filing of said application, by publishing a copy of this order once in a newspaper duly qualified by the Secretary of State, published and of general circulation in Harrison County, making due return to this Commission of proper certification of publication immediately after publication. Anyone desiring to protest or intervene should file a written protest or notice of intervention within 30 days following the date of this publication unless otherwise notified by Commission order. Failure to timely protest or intervene can affect you right to protest aspects of this certificate case, including any associated rate increases or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or intervention. Requests to intervene must comply with the Commission's rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, WV 25323.

IT IS FURTHER ORDERED that if no protests are received within said thirty (30) day period, the Commission may waive formal hearing and grant the application based on the evidence submitted with said application and its review thereof.

FOR THE [illegible]

Executive Secretary

OFFICIAL SEAL
NOTARY PUBLIC
STATE of WEST VIRGINIA
SHELLEY [illegible]
Clarksburg [illegible] Co.
PO Box 2032, 324 Hewitt Ave.
Clarksburg, WV [illegible]
My Commission Expires July 21, 2009

PUBLISHER'S CERTIFICATE

STATE OF WEST VIRGINIA,
COUNTY OF HARRISON

I, SARA V. SHINGLETON

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

PUBLIC SERVICE COMMISSION

was published in said THE EXPONENT-TELEGRAM one time on the 5 day of April 20 02

The publisher's fee for said publication is $ 35.48

Given under my hand this 5 day of April 20 02

Sara V. Shingleton
Classified Manager of The Exponent-Telegram

Subscribed and sworn to before me this 5 day of April, 20 02

Shelley A. Lipps
Notary Public in and for Harrison County, WV

My commission expires on the 21 day of July 2009.

Form CA-14 E

SEAL

RESERVED

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

EXCERPT OF MINUTES ON ORGANIZATIONAL MEETING,
ADOPTION OF THE BOND RESOLUTION, SUPPLEMENTAL RESOLUTION,
RESOLUTION APPROVING INVOICES
AND RESOLUTION AUTHORIZING MERGER

The undersigned SECRETARY of the Public Service Board of Greater Harrison County Public Service District, hereby certifies that the following is a true and correct excerpt of the minutes of a regular meeting of the said Public Service Board:

*** *** ***

The Public Service Board of Greater Harrison County Public Service District met in regular session, pursuant to notice duly posted, on the 21st day of July, 2004, in West Milford, West Virginia, at the hour of 5:30 p.m.

PRESENT:	Chairman	-	William L. Coffindaffer
	Secretary	-	Gregory D. Robertson
	Treasurer	-	Evan Hugus
	Member	-	Jim Scudere
	Member	-	William J. Derrickson

ABSENT: None.

William L. Coffindaffer, Chairman, presided, and Gregory D. Robertson acted as Secretary. The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Board held its organizational meeting for the calendar year of 2004. The officers are as follows:

Chairman	-	William L. Coffindaffer
Treasurer	-	Evan Hugus
Secretary	-	Gregory D. Robertson

Next, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF $703,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Gregory D. Robertson and seconded by Evan Hughes, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Chairman presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Gregory D. Robertson and seconded by William J. Derrickson, it was unanimously ordered that the said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Chairman presented a proposed Resolution in writing entitled:

RESOLUTION OF THE BOARD OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT APPROVING INVOICES RELATING TO THE CONSTRUCTION AND OTHER SERVICES FOR THE PROPOSED LOST CREEK (JOHNSTOWN) WATER PROJECT AND AUTHORIZING PAYMENT HERETO

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Evan Hughes and seconded by Gregory D. Robertson, it was unanimously ordered that the said Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Chairman presented a proposed Resolution in writing entitled:

A RESOLUTION APPROVING AND RATIFYING THE MERGER OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, QUIET DELL PUBLIC SERVICE DISTRICT AND VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT INTO GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE ASSUMPTION OF THE BONDS AND THE RECEIPT OF ALL ASSETS OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, QUIET DELL PUBLIC SERVICE DISTRICT AND VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT BY GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Gregory D. Robertson and seconded by Jim Scudere, it was unanimously ordered that the said Resolution be adopted and be in full force and effect on and from the date hereof.

*** *** ***

CERTIFICATION

I hereby certify that the foregoing action of Greater Harrison County Public Service District remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 27th day of July, 2004.

Secretary

06/17/04
352650.00002

WV MUNICIPAL BOND COMMISSION
8 Capitol Street
Suite 500
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: July 27, 2004

(See Reverse for Instructions)

ISSUE: Greater Harrison County Public Service District Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund)

ADDRESS: P.O. Box 190, West Milford, West Virginia 26451 COUNTY: Harrison

PURPOSE OF ISSUE: New Money: X
Refunding: _____ REFUNDS ISSUE(S) DATED: _____

ISSUE DATE: July 27, 2004 CLOSING DATE: July 27, 2004

ISSUE AMOUNT: $703,000 RATE: 0%

1ST DEBT SERVICE DUE: March 1, 2006 1ST PRINCIPAL DUE: March 1, 2006

1ST DEBT SERVICE AMOUNT: $4,564.94 PAYING AGENT: Municipal Bond Commission

BOND
COUNSEL: Steptoe & Johnson PLLC
Contact Person: John C. Stump, Esq.
Phone: 353.8196

UNDERWRITERS
COUNSEL: Jackson Kelly PLLC
Contact Person: Samme L. Gee, Esq.
Phone: 340.1318

CLOSING BANK: Harrison County Bank
Contact Person: Carol Nay
Phone: 304.745.3332

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: William Coffindaffer
Position: Chairman
Phone: 304.745.3463

OTHER: WV Infrastructure and Jobs Development Council
Contact Person: Katy Mallory
Function: Executive Director
Phone: 558.4607

DEPOSITS TO MBC AT CLOSE:
By: _____ Wire
_____ Check

____ Accrued Interest: $_____
____ Capitalized Interest: $_____
____ Reserve Account: $_____
____ Other: ____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: _____ Wire
_____ Check
_____ IGT

____ To Escrow Trustee: $_____
____ To Issuer $_____
____ To Cons. Invest. Fund $_____
____ To Other: _____ $_____

NOTES: _____

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

HARRISON COUNTY BANK, Lost Creek, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Resolution of Greater Harrison County Public Service District (the "Issuer") adopted July 21, 2004, and the Supplemental Resolution of the Issuer adopted July 21, 2004 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), dated July 27, 2004, issued in the principal amount of $703,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this July 27, 2004.

HARRISON COUNTY BANK

By: _____
Its: Authorized Officer

06/17/04
352650.00002

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Greater Harrison County Public Service District Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), dated July 27, 2004, issued in the principal amount of $703,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 27th day of July, 2004

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

06/17/04
352650.00002

CH671891.1

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of Greater Harrison County Public Service District (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Water Revenue Bond, Series 2004 A (West Virginia Infrastructure Fund), of the Issuer, dated July 27, 2004, in the principal amount of $703,000, 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 Huntington National Bank, as Registrar.

WITNESS my signature on this 27th day of July, 2004.

THE HUNTINGTON NATIONAL BANK

By _____
Its: Authorized Officer

06/17/04
352650.00002

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 27th day of July, 2004, by and between GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $703,000 Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund), in fully registered form (the "Bonds"), pursuant to the Bond Resolution of the Issuer duly adopted July 21, 2004, and the Supplemental Resolution of the Issuer duly adopted July 21, 2004 (collectively, the "Bond Legislation");

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

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

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

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

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

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

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

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

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

ISSUER: Greater Harrison County Public Service District
Post Office Box 190
West Milford, West Virginia 26451
Attn: Chairman

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

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

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

GREATER HARRISON COUNTY
PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

EXHIBIT A

Bond Legislation included in bond transcript as Documents Nos. 1 and 2.

SCHEDULE OF COMPENSATION

10-253 permit & CPR App. WT

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

815 QUARRIER STREET, SUITE 418 CHARLESTON, WEST VIRGINIA 25301-2616
TELEPHONE 304-558-2981

RECEIVED JAN 24 2001
RECEIVED JAN 24 2001 (Water)
THRASHER ENGINEERING

PERMIT

PROJECT: Johnstown Water Line Extension PERMIT NO.: 14,753

LOCATION: Johnstown COUNTY: Harrison DATE: 1-22-2001

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Greater Harrison County Public Service District
Post Office Box 190
West Milford, West Virginia 26451

is hereby granted approval to: install approximately 6,000 LF of 2", 330 LF of 4" and 20,350 LF of 6" water line; one (1) 80 G.P.M. duplex water booster station; one (1) 47,000 gallon water storage tank; and all necessary valves, controls and appurtenances.

Facilities are to serve approximately 52 new customers at Johnstown in the Greater Harrison County Public Service District.

NOTE: **This permit is contingent upon: 1) All new water line and the water storage tank being disinfected, flushed and bacteriologically tested prior to use; and 2) Maintaining a minimum ten (10) feet horizontal separation between sewer force line and water lines and a minimum 18" vertical separation between crossing sewer force line and water lines, with the water line above the sewer force line.**

The Environmental Engineering Division of the Philippi District Office (304-457-2296) is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:cmh
pc: Thrasher Engineering, Inc.
James W. Ellars, P.E., PSC-Engineering Division
Harrison-Clarksburg Health Department
OEHS-EED Philippi District Office

CERTIFICATE OF LIABILITY INSURANCE

ADDITIONAL INSURED: GREATER HARRISON COUNTY PSD
P. O. BOX 190
WEST MILFORD, WV 26451

CERTIFICATE NO: L 2707 - Jan 28, 1988

This certifies that the insured named above is an Additional Insured for the Coverage indicated below under General Liability Policy GL 4806295 and Automobile Policy CA 5189013 issued to the State of West Virginia by NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.

COVERAGE PERIOD: Jul 1, 2004 to Jul 1, 2005 12:01 a.m. Eastern Time

COVERAGE AFFORDED: Comprehensive General Liability Insurance
Personal Injury Liability Insurance
Professional Liability Insurance
Stop Gap Liability Insurance
Wrongful Act Liability Coverage
Comprehensive Auto Liability Coverage
Auto Physical Damage Insurance
Garagekeepers Insurance

LIMIT OF LIABILITY: $1,000,000 each occurence* and is SUBJECT TO $2,500 DEDUCTIBLE. *For all coverages combined. This limit is not increased if a claim is insured under more than one coverage or if claim is made against more than one insured.

SPECIAL LIMITS: The auto physical damage limit is the actual cash value of each vehicle subject to a deductible of $1,000.

CLAIM REPORTING: Claims should be reported to:
Claim Manager
West Virginia Board of Risk & Insurance Management
90 MacCorkle Avenue S.W.Suite 203
South Charleston, West Virginia 25303

Claims Made Prior Acts Date: January 28, 1988

THE INSURANCE EVIDENCED BY THIS CERTIFICATE IS SUBJECT TO ALL OF THE TERMS, CONDITIONS, EXCLUSIONS AND DEFINITIONS IN THE POLICIES. IT IS A CONDITION PRECEDENT OF COVERAGE UNDER THE POLICIES THAT THE ADDITIONAL INSURED DOES NOT WAIVE ANY STATUTORY OR COMMON LAW IMMUNITY CONFERRED UPON IT.

BY:_____ DATED: June 30, 2004
AUTHORIZED REPRESENTATIVE

AGENT OF RECORD: ACORDIA OF WEST VIRGINIA
CLARKSBURG OFFICE
PO BOX 2488
CLARKSBURG, WV 26301

MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **July 27, 2004**

Re: **Greater Harrison County Public Service District**
Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund)

DISBURSEMENTS TO DISTRICT:

Payor:	West Virginia Infrastructure and Jobs Development Council
Amount:	$37,545
Form:	Wire Transfer
Bank:	Harrison County Bank
ABA No.:	051502913
Acct. No.:	00-64709
Contact:	Carol Nay (304) 745-3332
Account:	Series 2004 A Bonds Construction Trust Fund

State of West Virginia

WATER DEVELOPMENT AUTHORITY

180 Association Drive, Charleston, WV 25311-1217
(304) 558-3612 - (304) 558-0299 (Fax)
Internet: www.wvwda.org - Email: contact@wvwda.org

BOND CLOSING ATTENDANCE LIST

Date July 27, 2004 Time 10:00 a.m. LGA Greater Harrison County PSD Program IF

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sammye Cee	Jackson Kelly PLLC	340.1318	340.1080	scee@jacksonkelly.com
Barbara B Meadows	Water Development Authority	558-3612	558-0299	bmeadows@wvwda.org
John Stump	Steptoe & Johnson PLLC	353.8196	353.8181	stumpjc@steptoe-johnson.com

The Authority requests that the 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 Bill Hoover, Gen. Manager Telephone 304.745.3463 E-Mail

Address P.O. Box 190, West Milford West Virginia 26451

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 NonArbitrage 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.

DAYTON LEGAL BLANK, INC.

County Commission

Resolution and Order Proposing Merger of Lost Creek-Mt. Clare PSd; Valley of Good Hope PSD and Quiet Dell PSD in Greater Harrison etc. Date for Hearing Set

BEFORE THE COUNTY COMMISSION OF HARRISON COUNTY

A RESOLUTION AND ORDER PROPOSING THE MERGER OF THE LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT AND QUIET DELL PUBLIC SERVICE DISTRICT INTO THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE ENLARGEMENT OF THE WATER SERVICE AUTHORITY OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT; FIXING A DATE OF HEARING ON THE PROPOSED MERGER AND ENLARGEMENT; AND PROVIDING FOR NOTICE OF SUCH HEARING

WHEREAS, the County Commission of Harrison County deems it necessary and desirable to merge, where practicable, the public service districts in Harrison County to provide both better and more cost-effective service to the residents of Harrison County, and

WHEREAS, pursuant to the provisions of Article 13A, Chapter 16 of the West Virginia Code, the Harrison County Commission is empowered to, upon its own motion by order duly adopted, propose the merger of public service districts located within the County in order to preserve the public health, comfort and convenience of the areas within the public service districts, and

WHEREAS, the Public Service Commission of West Virginia has recommended the merger of Lost Creek-Mt. Clare Public Service District, the Valley of Good Hope Public Service District and the Quiet Dell Public Service District into the Greater Harrison County Public Service District and the enlargement of the water service authority of Greater Harrison County Public Service District to include all areas within Harrison County south of US Route 50 not provided water service by another public service district or incorporated municipality; and

WHEREAS, the Harrison County Commission, after considerable deliberation, has decided that the proposed merger of Lost Creek-Mt. Clare Public Service District, the Valley of Good Hope Public Service District and the Quiet Dell Public Service District into the Greater Harrison Public Service District and the enlargement of the water service authority of Greater Harrison County Public Service District to include all areas within Harrison County south of US Route 50 not provided water service by another public service district or incorporated municipality, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Districts, is necessary for the preservation of the public health, comfort and convenience for the areas presently served and to be served by said Districts.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY RESOLVED AND ORDERED by the County Commission of Harrison County as follows:

1. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the Districts, proposes the merger of the Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District and Quiet Dell Public Service

District into Greater Harrison County Public Service District and the enlargement of the water service authority of Greater Harrison County Public Service District to include all areas within Harrison County south of US Route 50 not provided water service by another public service district or incorporated municipality. The presently existing public service districts are particularly defined as the following areas:

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

BEGINNING at a point on the east bank of the West Fork River, which point has the coordinate North 39° 14' 38" and West 80° 21' 29";

THENCE leaving the river due East 0.54 miles to a point on the Clark-Grant Magisterial District line;

THENCE with that line in a southeasterly direction 2.46 miles to a point;

THENCE due East 1.15 miles to a point on the west bank of Elk Creek;

THENCE up Elk Creek 1.0 miles to a point;

THENCE due South 0.17 miles to a point;

THENCE South 36° 45' West 1.53 miles to a point;

THENCE South 6° 40' West 0.18 miles to a point on the Elk-Grant Magisterial District line;

THENCE with that line 7.66 miles to the Harrison-Lewis-Upshur County common corner;

THENCE with the Harrison-Lewis County line in a northwesterly direction 3.65 miles to a point on a ridge;

THENCE with that ridge line in a westerly direction 2.04 miles to a point;

THENCE North 20° 30' West 0.63 miles to a point on a ridge;

THENCE with the ridge line, which divides the watershed between Hackers Creek and Duck Creek in a northwesterly direction 5.45 miles to a point on the boundary of the Valley of Good Hope Public Service District;

THENCE with four lines of the Valley of Good Hope Public Service District boundary,

North 19° 45' East 0.47 miles to a point;

North 61° 20' East 0.64 miles to a point;

North 49° 20' East 0.34 miles to a point;

Due North 0.34 miles to a point on the Grant-Union Magisterial District line;

THENCE with that line in a northeasterly direction 8.06 miles to a point on the south bank of the West Fork River;

THENCE with the south bank down river 1.63 miles to the beginning.

Included with the district is a strip of land between the west bank of the West Fork River and a point 100 feet southwest of the Lost Creek-Mt. Clare main water transmission line and extending from the Lost Creek-Mt. Clare master meter in a southeasterly direction and parallel with the main transmission line 1.39 miles to a point where the main line crosses the river.

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

A certain area of land, situate in Harrison County, West Virginia, being more particularly bounded and described as follows:

BEGINNING at a point in the center of the West Fork River, which said point is a common corner of the Grant, Union and Clark Magisterial Districts;

THENCE in a northwesterly direction with the Clark-Union Magisterial District boundary line and with the southwesterly boundary of the Country Club Addition Public Service District a distance of 1.28 miles more or less to a point located in the center of US Route 19;

THENCE leaving said point in the center of US Route 19 and with the right of way of US Route 19 a distance of 0.98 miles more or less to a point said point being located in the right of way of US Route 19;

THENCE leaving said point located in the right of way of US Route 19, North 28° 00' 00" West a distance of 0.38 miles more or less to a point located on the southerly boundary of the Sun Valley Public Service District;

THENCE leaving said point located on the Sun Valley Public Service District line and with a common line of the Sun Valley Public Service District and the Valley of Good Hope Public Service District, South 65° 00' 00" West a distance of 1.19 miles more or less to a point located on the Clark-Union Magisterial District line;

THENCE leaving said Clark-Union Magisterial line and with a common line of the Sun Valley Public Service District and the Good Hope Public Service District, South 40° 50' 00" West a distance of 1.87 miles more or less to a point, said point being located near the intersection of West Virginia County Route 33 and West Virginia County route 31/3;

THENCE leaving said point located near the intersection of West Virginia County Route 31 and West Virginia County Route 31/3, South 48° 00' 00" West a distance of 2.23 miles more or less to a point located near West Virginia County Route 32;

THENCE leaving said West Virginia County Route 32, South 02° 20' 00" East a distance of 1.97 miles more or less to a point, said point being located at West Virginia County Route 38;

THENCE leaving said West Virginia County Route 38, South 20° 30' 00" West a distance of 1.37 miles more or less to a point located in West Virginia County Route 19/8;

THENCE leaving said West Virginia County Route 19/8, South 41° 40' 00" East a distance of 1.61 miles more or less to a point located in the center of the West Fork River;

THENCE with the meanders of the West Fork River for a distance of 4,000 feet more or less to the Harrison and Lewis County Line;

THENCE leaving said center of the West Fork River and the common line of the Sun Valley Public Service District and with a common line of the Harrison and Lewis County lines in a southeasterly direction a distance of 17,700 feet more or less

to a point located on a common line of the Harrison and Lewis County line;

THENCE leaving said common county line of Harrison and Lewis County in a northeasterly direction a distance of 900 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northeasterly direction a distance of 1,450 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northeasterly direction a distance of 1,800 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 2,750 feet more or less to a point located on a ridge top,

THENCE leaving said point located on a ridge top and in a northerly direction a distance of 1,400 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northerly direction a distance of 1,900 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 1,300 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northeasterly direction a distance of 2,000 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 1,250 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 900 feet more or less to a point located on a ridge top;

THENCE leaving said ridge top point in a southwesterly direction a distance of 1,800 feet more or less to a point located on a ridge top;

THENCE leaving said ridge top point and with the Lost Creek-Mount Clare Public Service District Boundary and with the ridge line in a northwesterly direction 2.01 miles more or less to a point;

THENCE leaving said point North 19° 45' 00" East a distance of 0.47 miles more or less to a point, said point being located in the West Fork River;

THENCE leaving said point located in the West Fork River, North 61° 20' 00" East a distance of 0.64 miles more or less to a point, said point being located in the West Fork River;

THENCE leaving said point located in the West Fork River, North 49° 20' 00" East a distance of 0.34 miles more or less to a point;

THENCE leaving said point and due North a distance of 0.34 miles more or less to a point, said point being located in the center of the West Fork River which is located on the Grant-Union Magisterial District line;

THENCE leaving said common point of the Grant-Union Magisterial district line and the center of the West Fork River and with the Grant-Union Magisterial District line 8.06 miles more or less to the PLACE OF BEGINNING containing 17,554 acres, more or less, as made a part of this description.

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QUIET DELL PUBLIC SERVICE DISTRICT

BEGINNING at the center line of State Route 20 and the town limits of the Town of Nutter Fort;

THENCE in a northwesterly direction, with the town limits of Nutter Fort 300 feet;

THENCE in a general southeasterly direction with a line parallel to the meanders of State Route 20 and 300 feet distant from the center line of State Route 20 to the intersection of said line and the center line of Elk Creek;

THENCE with the meanders of the center line of Elk Creek upstream to the center line of Elk Creek and the center line of Zacks Run;

THENCE with the meanders of Zacks Run to a point 300 feet west of the center line of State Route 20;

THENCE parallel with the meanders of State Route 20 and 300 feet west distant therefrom to a point 600 feet from the Haymond Hill Ridge;

THENCE in an easterly direction crossing State Route 20 at right angles to a point 1,000 east of State Route 20;

THENCE in a northerly direction with a line parallel with the meanders of State Route 20 and 1,000 feet distant therefrom to the intersection of the said line with the center line of Zacks Run;

THENCE up the center line of Zacks Run, crossing State Secondary Route 20/15 to a point 300 feet north of State Secondary Route 20/15;

THENCE westerly with a line parallel with the meanders of State Secondary Route 20/15 to a point 1,000 feet east of the center line of State Route 20;

THENCE northerly with the meanders of State Route 20 and 1,000 feet distant therefrom to the intersection of said line with the center line of State Secondary Route 42.

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AREA ADDED BY:
1983 AMENDMENT ENLARGING QUIET DELL PUBLIC SERVICE DISTRICT

BEGINNING at a point on the eastern boundary line of the present Quiet Dell Public Service District Boundary, which point is 3,500 feet northwest of the intersection of I-79 and WV Primary Route 20;

THENCE North 71° 56' East 8,700 feet to a point in the center of the right of way of WV Secondary Route 42;

THENCE South 12° 45' East 15,300 feet to a point on the top of a ridge;

THENCE South 38° 15' East 8,550 feet to a point on the top of a ridge;

THENCE South 12° 30° West 9,500 feet to a point in the centerline of WV Primary Route 20;

THENCE North 74° 45° West 5,100 feet to a point on the top of a ridge;

THENCE North 86° 41° West 7,300 feet to a point on the top of a ridge;

THENCE North 67° 50° West 2,900 feet to a point on the top of a ridge;

THENCE North 26° 03° West 4,200 feet to a point on the top of a ridge;

THENCE North 37° 12° East 5,800 feet to a point on the top of a ridge;

THENCE North 25° 48° East 3,200 feet to a point on the top of a ridge.

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2. That the County Commission of Harrison County, West Virginia, upon its own motion, subject to the approval of the Public Service Commission of West Virginia, proposed the enlargement of water service authority of the Greater Harrison County Public Service District to include all areas within Harrison County south of US Route 50 not provided water service by another public service district or incorporated municipality, particularly defined as the following areas:

PROPOSED ENLARGEMENT OF
GREATER HARRISON COUNTY PUBLIC SERVICE WATER DISTRICT

The Greater Harrison County Public Service District water service area, as enlarged, shall be described as all the area south of US Route 50 except the following service areas:

Sun Valley Public Service District (as enlarged)
Southwestern
Town of Anmoore
City of Bridgeport
City of Clarksburg
Town of Nutter Fort
City of Salem
Town of Stonewood
Town of West Milford.

specifically described hereinafter:

SUN VALLEY PUBLIC SERVICE DISTRICT (as enlarged)

A certain area of land, situate in Harrison County, West Virginia, being more particularly bounded and described as follows:

BEGINNING at a point, said point being the northwesterly corner to the corporation line of the City of Clarksburg, Harrison County, West Virginia, and having a latitude of 39° 17' 51" and a longitude of West 80° 22' 07";

THENCE with the corporate line of the City of Clarksburg South 06° 20' 00" East a distance of 0.33 miles (1,742 feet) more or less, to the centerline of Old US Route 50, now known as West Virginia Secondary Route 11;

THENCE continuing with said corporate limits of the City of Clarksburg, South 06° 20' 00" West a distance of 3,400 feet more or less to a point in the district line between Clark and Coal Magisterial Districts;

THENCE with said District line of said Clark and Coal Magisterial Districts in a westerly direction 1,100 feet more or less to a point;

THENCE leaving said District line of said Clark and Coal Magisterial Districts, South 46° 10' 00" West, a distance of 4,200 feet more or less to a point;

THENCE South 32° 05' 00" East, a distance 2,300 feet more or less to a point;

THENCE South 61° 50' 00" West a distance of 10,450 feet more or less to a

common line of Union and Clark Magisterial Districts and a point located on said ridge top;

THENCE leaving said point located on said ridge top and in a southwesterly direction a distance of 9,900 feet more or less to a point located near the intersection of West Virginia County Route 33 and West Virginia Secondary Route 31/3;

THENCE leaving said point located near the intersection of West Virginia County Route 33 and West Virginia Secondary Route 31/3 and in a southwesterly direction a distance of 11,800 feet more or less to a point located near West Virginia County Route 32;

THENCE leaving said West Virginia County Route 32 in a southerly direction a distance of 10,500 feet more or less to a point located at West Virginia County Route 38;

THENCE leaving said West Virginia County Route 38 in a southwesterly direction a distance of 7,050 feet more or less to a point located in West Virginia Secondary Route 19/8;

THENCE leaving said West Virginia County Route 19/8 and in a southeasterly direction a distance of 8,400 feet more or less to a point located in the center of the West Fork River;

THENCE with the meanders of the West Fork River for a distance of 4,000 feet more or less to the Harrison and Lewis County line;

THENCE with said Harrison and Lewis County line a distance of 52,000 feet more or less to a common intersection of Harrison, Lewis and Doddridge Counties;

THENCE leaving said common intersection of Harrison, Lewis and Doddridge Counties and with a common county line of Harrison and Doddridge Counties a distance of 89,000 feet more or less to a point located on a ridge located on the Harrison and Doddridge County line;

THENCE leaving said point located at a ridge point and a common county line of Harrison and Doddridge County and in a southeasterly direction a distance of 7,200 feet more or less to a point located in West Virginia County Route 29;

THENCE leaving said point located in West Virginia County Route 29 and in a northeasterly direction a distance of 9,100 feet more or less to a point located on a ridge top;

THENCE leaving said point located at said ridge top and in a northerly direction a distance of 1,600 feet more or less to a point located in the right of way of the Baltimore & Ohio Railroad Company;

THENCE leaving said point located in said right of way of the Baltimore & Ohio Railroad Company and in a northwesterly direction a distance of 2,800 feet more or less to a point located on a ridge top;

THENCE leaving said point located on said ridge top and in a westerly direction a distance of 2,950 feet more or less to a point located on a ridge top;

THENCE leaving said point located on said ridge top and in a northwesterly direction a distance of 4,700 feet more or less to a point located on a ridge top;

THENCE leaving said point located on said ridge top and in a westerly direction a distance of 8,050 feet more or less to a point located on a ridge top

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located on the Harrison and Doddridge County line;

THENCE leaving said point located on a ridge top on the Harrison and Doddridge County line and with said County line a distance of 8,000 feet to a common point located on said County line and Cherry Camp Run;

THENCE leaving said point located on said County line of Harrison and Doddridge County and in a southeasterly direction a distance of 16,920 feet more or less to a point located at a ridge top;

THENCE leaving said point located at a ridge top and in a northeasterly direction a distance of 2,600 feet more or less to a point located at a ridge top;

THENCE leaving said point located at a ridge top and in a southeasterly direction a distance of 16,200 feet more or less to common magisterial district lines of Tenmile, Sardis and Coal Districts;

THENCE leaving said common magisterial lines of Tenmile, Sardis and Coal Districts and with a common magisterial district line of Sardis and Coal for a distance of 16,000 feet more or less to a point located at a ridge top;

THENCE leaving said point located a ridge top and in a southeasterly direction a distance of 900 feet more or less to a point located at a ridge top;

THENCE leaving said point located at a ridge top and in a southeasterly direction a distance of 9,350 feet more or less to the PLACE OF BEGINNING, containing 48,546 acres, more or less, as made part of this description.

PORTION OF SOUTHWESTERN WATER DISTRICT IN HARRISON COUNTY

Southwestern Water District is located in Taylor and Harrison Counties. The following described area is that area of Southwestern Water District which is situated in Harrison County.

BEGINNING at a point in the County line between Harrison and Taylor County at its intersection with WV Route 13/2, said point being at latitude North 39° 15' 43" and longitude West 80° 11' 03" and running;

THENCE North 61° 10' West 1.1 miles;

THENCE West 1.5 miles;

THENCE North 0.8 miles;

THENCE East 0.5 miles;

THENCE North 1.8 miles to latitude North 39° 18' 25" and longitude West 80° 13' 16";

THENCE East 0.9 miles to the County line between Harrison and Taylor County;

THENCE following said County line in a southerly direction 3.7 miles to the point of beginning.

MUNICIPAL CORPORATIONS

The water service area of the municipal corporations of Anmoore, Bridgeport, Clarksburg,

Received Time Jul.22. 1:57PM

DAYTON LEGAL BLANK, INC.

Nutter Fort, Salem, Stonewood and West Milford shall be described as the area encompassing the corporate boundaries of said municipalities and the area outside of the corporate boundaries currently served by existing municipal water lines.

3. That on October 6, 1998, at the hour of 7:00 p.m. o'clock, the Harrison County Commission shall meet in the Lost Creek Community Building at Lost Creek, West Virginia, for the purpose of conducting a public hearing on the proposed merger of the Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District and Quiet Dell Public Service District into the Greater Harrison Public Service District and the enlargement of the water service authority of Greater Harrison County Public Service District to include all areas within Harrison County south of US Route 50 not provided water service by another public service district or incorporated municipality, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of the districts, at which time and place all persons residing in or owning or having interest in property in the territory of the Lost Creek-Mt. Clare, Valley of Good Hope, Quiet Dell or Greater Harrison County Public Service Districts may appear before this County Commission and shall be provided an opportunity to be heard for or against the proposal.

4. That the Clerk of the Harrison County Commission shall cause a notice of the hearing and a description of the territories of the Lost Creek-Mt. Clare, Valley of Good Hope, Quiet Dell and Greater Harrison Public Service Districts to be published as a Class I legal advertisement at least ten (10) days prior to the meeting.

5. That the Clerk of the Harrison County Commission shall cause a notice of the hearing and description of the Lost Creek-Mt. Clare, Valley of Good Hope, Quiet Dell and Greater Harrison County Public Service Districts to be posted in at least five (5) conspicuous places within the territories of the Lost Creek-Mt. Clare, Valley of Good Hope, Quiet Dell and Greater Harrison County Public Service Districts.

6. That the Clerk of the Harrison County Commission shall cause a copy of this Resolution and Order to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten (10) days after the hearing set forth therein.

By the Order of the Harrison County Commission this day, September 1, 1998.

HARRISON COUNTY COMMISSION

Thomas K. Kuhn
President

Commissioner

Commissioner

ATTEST:
Clerk of the County Commission

DAYTON LEGAL BLANK, INC

County Commission

Resolution and Order Merging The Lost Creek-Mt. Clare PSD, Valley of Good Hope PSD and Quiet Dell PSD into Greater Harrison PSD and Expansion of the Water Service authority of Greater Harrison County PSD

BEFORE THE COUNTY COMMISSION OF HARRISON COUNTY, WEST VIRGINIA

A RESOLUTION AND ORDER MERGING THE LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT AND QUIET DELL PUBLIC SERVICE DISTRICT INTO THE GREATER HARRISON PUBLIC SERVICE DISTRICT AND EXPANSION OF THE WATER SERVICE AUTHORITY OF THE GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

WHEREAS, the County Commission of Harrison County, West Virginia, did heretofore, by Resolution and Order adopted on September 1, 1998, propose the merger of the Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District, and Quiet Dell Public Service District into the Greater Harrison County Public Service District, and

WHEREAS, by said September 1, 1998, Resolution and Order, the Harrison County Commission did set a hearing on the proposed merger of the Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District, and Quiet Dell Public Service District into the Greater Harrison County Public Service District; required notice of said hearing to be given by Clas I legal publication in Harrison County and by posting of notice in at least five (5) conspicuous places within the territories of the said Districts; and required the Clerk of the Harrison County Commission to cause a copy of the Resolution and Order to be filed with the Executive Secretary of the Public Service Commission of West Virginia; and

WHEREAS, notice of the October 6,1998, hearing has been given in the manner provided and required by said Resolution and Order and by West Virginia Code Chapter 16, Article 13-A, Section 2, and all interested parties have been afforded an opportunity of being heard for and against the merger of the Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District, and Quiet Dell Public Service District into the Greater Harrison County Public Service District, and said County Commission has given due consideration to all matters for which such hearing was offered; and

WHEREAS, it is now determined by the said County Commission that the present or proposed physical facilities of the Greater Harrison County Public Service District are determined to be adequate to provide such expanded service; and

WHEREAS, it is now deemed desirous by said County Commission to adopt a Resolution and Order subject to the approval of the Public Service Commission of West Virginia and the bondholders of said Districts for the preservation of the public health, comfort and convenience of the areas presently served or to be served by the Greater Harrison County Public Service District.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY RESOLVED AND ORDERED by the County Commission of Harrison County as follows:

1. That the County Commission of Harrison County, West Virginia, upon its own

motion, subject to the approval of the Public Service Commission of West Virginia and the agreement of the bondholders of said Districts, merges the Lost Creek-Mt. Clare Public Service District, Valley of Good Hope Public Service District and Quiet Dell Public Service District into the Greater Harrison County Public Service District and the expansion of the water service authority of the Greater Harrison County Public Service District to include all areas within Harrison County south of US Route 50 not provided water service by another public service district or incorporated municipality. The presently existing public service districts are particularly defined as the following areas:

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

BEGINNING at a point on the east bank of the West Fork River, which point has the coordinate North 39° 14' 38" and West 80° 21' 29";

THENCE leaving the river due East 0.54 miles to a point on the Clark-Grant Magisterial District line;

THENCE with that line in a southeasterly direction 2.46 miles to a point;

THENCE due East 1.15 miles to a point on the west bank of Elk Creek;

THENCE up Elk Creek 1.0 miles to a point;

THENCE due South 0.17 miles to a point;

THENCE South 36° 45' West 1.53 miles to a point;

THENCE South 6° 40' West 0.18 miles to a point on the Elk-Grant Magisterial District line;

THENCE with that line 7.66 miles to the Harrison-Lewis-Upshur County common corner;

THENCE with the Harrison-Lewis County line in a northwesterly direction 3.65 miles to a point on a ridge;

THENCE with that ridge line in a westerly direction 2.04 miles to a point;

THENCE North 20° 30' West 0.63 miles to a point on a ridge;

THENCE with the ridge line, which divides the watershed between Hackers Creek and Duck Creek in a northwesterly direction 5.45 miles to a point on the boundary of the Valley of Good Hope Public Service District;

THENCE with four lines of the Valley of Good Hope Public Service District boundary,

North 19° 45' East 0.47 miles to a point;

North 61° 20' East 0.64 miles to a point,

North 49° 20' East 0.34 miles to a point;

Due North 0.34 miles to a point on the Grant-Union Magisterial District line;

THENCE with that line in a northeasterly direction 8.06 miles to a point on the south bank of the West Fork River;

THENCE with the south bank down river 1.63 miles to the beginning.

Included with the district is a strip of land between the west bank of the West Fork River and a point 100 feet southwest of the Lost Creek-Mt. Clare main water transmission line and extending from the Lost Creek-Mt. Clare master meter in a

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southeasterly direction and parallel with the main transmission line 1.39 miles to a point where the main line crosses the river.

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

A certain area of land, situate in Harrison County, West Virginia, being more particularly bounded and described as follows:

BEGINNING at a point in the center of the West Fork River, which said point is a common corner of the Grant, Union and Clark Magisterial Districts;

THENCE in a northwesterly direction with the Clark-Union Magisterial District boundary line and with the southwesterly boundary of the Country Club Addition Public Service District a distance of 1.28 miles more or less to a point located in the center of US Route 19;

THENCE leaving said point in the center of US Route 19 and with the right of way of US Route 19 a distance of 0.98 miles more or less to a point said point being located in the right of way of US Route 19;

THENCE leaving said point located in the right of way of US Route 19, North 28° 00' 00" West a distance of 0.38 miles more or less to a point located on the southerly boundary of the Sun Valley Public Service District;

THENCE leaving said point located on the Sun Valley Public Service District line and with a common line of the Sun Valley Public Service District and the Valley of Good Hope Public Service District, South 65° 00' 00" West a distance of 1.19 miles more or less to a point located on the Clark-Union Magisterial District line;

THENCE leaving said Clark-Union Magisterial line and with a common line of the Sun Valley Public Service District and the Good Hope Public Service District, South 40° 50' 00" West a distance of 1.87 miles more or less to a point, said point being located near the intersection of West Virginia County Route 33 and West Virginia County route 31/3;

THENCE leaving said point located near the intersection of West Virginia County Route 31 and West Virginia County Route 31/3, South 48° 00' 00" West a distance of 2.23 miles more or less to a point located near West Virginia County Route 32;

THENCE leaving said West Virginia County Route 32, South 02° 20' 00" East a distance of 1.97 miles more or less to a point, said point being located at West Virginia County Route 38;

THENCE leaving said West Virginia County Route 38, South 20° 30' 00" West a distance of 1.37 miles more or less to a point located in West Virginia County Route 19/8;

THENCE leaving said West Virginia County Route 19/8, South 41° 40' 00" East a distance of 1.61 miles more or less to a point located in the center of the West Fork River;

THENCE with the meanders of the West Fork River for a distance of 4,000

feet more or less to the Harrison and Lewis County Line;

THENCE leaving said center of the West Fork River and the common line of the Sun Valley Public Service District and with a common line of the Harrison and Lewis County lines in a southeasterly direction a distance of 17,700 feet more or less to a point located on a common line of the Harrison and Lewis County line;

THENCE leaving said common county line of Harrison and Lewis County in a northeasterly direction a distance of 900 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northeasterly direction a distance of 1,450 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northeasterly direction a distance of 1,800 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 2,750 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northerly direction a distance of 1,400 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northerly direction a distance of 1,900 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 1,300 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northeasterly direction a distance of 2,000 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 1,250 feet more or less to a point located on a ridge top;

THENCE leaving said point located on a ridge top and in a northwesterly direction a distance of 900 feet more or less to a point located on a ridge top;

THENCE leaving said ridge top point in a southwesterly direction a distance of 1,800 feet more or less to a point located on a ridge top;

THENCE leaving said ridge top point and with the Lost Creek-Mount Clare Public Service District Boundary and with the ridge line in a northwesterly direction 2.01 miles more or less to a point;

THENCE leaving said point North 19° 45' 00" East a distance of 0.47 miles more or less to a point, said point being located in the West Fork River;

THENCE leaving said point located in the West Fork River, North 61° 20' 00" East a distance of 0.64 miles more or less to a point, said point being located in the West Fork River;

THENCE leaving said point located in the West Fork River, North 49° 20' 00" East a distance of 0.34 miles more or less to a point;

THENCE leaving said point and due North a distance of 0.34 miles more or less to a point, said point being located in the center of the West Fork River which is located on the Grant-Union Magisterial District line;

THENCE leaving said common point of the Grant-Union Magisterial district line and the center of the West Fork River and with the Grant-Union Magisterial District line 8.06 miles more or less to the PLACE OF BEGINNING containing

17,554 acres, more or less, as made a part of this description.

QUIET DELL PUBLIC SERVICE DISTRICT

BEGINNING at the center line of State Route 20 and the town limits of the Town of Nutter Fort;

THENCE in a northwesterly direction, with the town limits of Nutter Fort 300 feet;

THENCE in a general southeasterly direction with a line parallel to the meanders of State Route 20 and 300 feet distant from the center line of State Route 20 to the intersection of said line and the center line of Elk Creek;

THENCE with the meanders of the center line of Elk Creek upstream to the center line of Elk Creek and the center line of Zacks Run;

THENCE with the meanders of Zacks Run to a point 300 feet west of the center line of State Route 20;

THENCE parallel with the meanders of State Route 20 and 300 feet west distant therefrom to a point 600 feet from the Haymond Hill Ridge;

THENCE in an easterly direction crossing State Route 20 at right angles to a point 1,000 east of State Route 20;

THENCE in a northerly direction with a line parallel with the meanders of State Route 20 and 1,000 feet distant therefrom to the intersection of the said line with the center line of Zacks Run;

THENCE up the center line of Zacks Run, crossing State Secondary Route 20/15 to a point 300 feet north of State Secondary Route 20/15;

THENCE westerly with a line parallel with the meanders of State Secondary Route 20/15 to a point 1,000 feet east of the center line of State Route 20;

THENCE northerly with the meanders of State Route 20 and 1,000 feet distant therefrom to the intersection of said line with the center line of State Secondary Route 42.

AREA ADDED BY:
1983 AMENDMENT ENLARGING QUIET DELL PUBLIC SERVICE DISTRICT

BEGINNING at a point on the eastern boundary line of the present Quiet Dell Public Service District Boundary, which point is 3,500 feet northwest of the intersection of I-79 and WV Primary Route 20;

THENCE North 71° 56' East 8,700 feet to a point in the center of the right of way of WV Secondary Route 42;

THENCE South 12° 45' East 15,300 feet to a point on the top of a ridge;

THENCE South 38° 15' East 8,550 feet to a point on the top of a ridge;

THENCE South 12° 30° West 9,500 feet to a point in the centerline of WV Primary Route 20;

THENCE North 74° 45° West 5,100 feet to a point on the top of a ridge;
THENCE North 86° 41° West 7,300 feet to a point on the top of a ridge;
THENCE North 67° 50° West 2,900 feet to a point on the top of a ridge;
THENCE North 26° 03° West 4,200 feet to a point on the top of a ridge;
THENCE North 37° 12° East 5,800 feet to a point on the top of a ridge;
THENCE North 25° 48° East 3,200 feet to a point on the top of a ridge.

EXPANSION OF GREATER HARRISON COUNTY
PUBLIC SERVICE WATER DISTRICT

PROPOSED ENLARGEMENT OF
GREATER HARRISON COUNTY PUBLIC SERVICE WATER DISTRICT

The Greater Harrison County Public Service District water service area, as enlarged, shall be described as all the area south of US Route 50 except the following service areas:

Sun Valley Public Service District (as enlarged)
Southwestern Water District
Town of Anmoore
City of Bridgeport
City of Clarksburg
Town of Nutter Fort
City of Salem
Town of Stonewood
Town of West Milford.

specifically described hereinafter:

SUN VALLEY PUBLIC SERVICE DISTRICT (as enlarged)

A certain area of land, situate in Harrison County, West Virginia, being more particularly bounded and described as follows:

BEGINNING at a point, said point being the northwesterly corner to the corporation line of the City of Clarksburg, Harrison County, West Virginia, and having a latitude of 39° 17' 51" and a longitude of West 80° 22' 07";

THENCE with the corporate line of the City of Clarksburg South 06° 20' 00" East a distance of 0.33 miles (1,742 feet) more or less, to the centerline of Old US Route 50, now known as West Virginia Secondary Route 11;

THENCE continuing with said corporate limits of the City of Clarksburg, South 06° 20' 00" West a distance of 3,400 feet more or less to a point in the district line between Clark and Coal Magisterial Districts;

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THENCE with said District line of said Clark and Coal Magisterial Districts in a westerly direction 1,100 feet more or less to a point;

THENCE leaving said District line of said Clark and Coal Magisterial Districts, South 46° 10' 00" West, a distance of 4,200 feet more or less to a point;

THENCE South 32° 05' 00" East, a distance 2,300 feet more or less to a point;

THENCE South 61° 50' 00" West a distance of 10,450 feet more or less to a common line of Union and Clark Magisterial Districts and a point located on said ridge top;

THENCE leaving said point located on said ridge top and in a southwesterly direction a distance of 9,900 feet more or less to a point located near the intersection of West Virginia County Route 33 and West Virginia Secondary Route 31/3;

THENCE leaving said point located near the intersection of West Virginia County Route 33 and West Virginia Secondary Route 31/3 and in a southwesterly direction a distance of 11,800 feet more or less to a point located near West Virginia County Route 32;

THENCE leaving said West Virginia County Route 32 in a southerly direction a distance of 10,500 feet more or less to a point located at West Virginia County Route 38;

THENCE leaving said West Virginia County Route 38 in a southwesterly direction a distance of 7,050 feet more or less to a point located in West Virginia Secondary Route 19/8;

THENCE leaving said West Virginia County Route 19/8 and in a southeasterly direction a distance of 8,400 feet more or less to a point located in the center of the West Fork River;

THENCE with the meanders of the West Fork River for a distance of 4,000 feet more or less to the Harrison and Lewis County line;

THENCE with said Harrison and Lewis County line a distance of 52,000 feet more or less to a common intersection of Harrison, Lewis and Doddridge Counties;

THENCE leaving said common intersection of Harrison, Lewis and Doddridge Counties and with a common county line of Harrison and Doddridge Counties a distance of 89,000 feet more or less to a point located on a ridge located on the Harrison and Doddridge County line;

THENCE leaving said point located at a ridge point and a common county line of Harrison and Doddridge County and in a southeasterly direction a distance of 7,200 feet more or less to a point located in West Virginia County Route 29;

THENCE leaving said point located in West Virginia County Route 29 and in a northeasterly direction a distance of 9,100 feet more or less to a point located on a ridge top;

THENCE leaving said point located at said ridge top and in a northerly direction a distance of 1,600 feet more or less to a point located in the right of way of the Baltimore & Ohio Railroad Company;

THENCE leaving said point located in said right of way of the Baltimore & Ohio Railroad Company and in a northwesterly direction a distance of 2,800 feet more or less to a point located on a ridge top;

THENCE leaving said point located on said ridge top and in a westerly direction a distance of 2,950 feet more or less to a point located on a ridge top;

THENCE leaving said point located on said ridge top and in a northwesterly direction a distance of 4,700 feet more or less to a point located on a ridge top;

THENCE leaving said point located on said ridge top and in a westerly direction a distance of 8,050 feet more or less to a point located on a ridge top located on the Harrison and Doddridge County line;

THENCE leaving said point located on a ridge top on the Harrison and Doddridge County line and with said County line a distance of 8,000 feet to a common point located on said County line and Cherry Camp Run;

THENCE leaving said point located on said County line of Harrison and Doddridge County and in a southeasterly direction a distance of 16,920 feet more or less to a point located at a ridge top;

THENCE leaving said point located at a ridge top and in a northeasterly direction a distance of 2,600 feet more or less to a point located at a ridge top;

THENCE leaving said point located at a ridge top and in a southeasterly direction a distance of 16,200 feet more or less to common magisterial district lines of Tenmile, Sardis and Coal Districts;

THENCE leaving said common magisterial lines of Tenmile, Sardis and Coal Districts and with a common magisterial district line of Sardis and Coal for a distance of 16,000 feet more or less to a point located at a ridge top;

THENCE leaving said point located a ridge top and in a southeasterly direction a distance of 900 feet more or less to a point located at a ridge top;

THENCE leaving said point located at a ridge top and in a southeasterly direction a distance of 9,350 feet more or less to the PLACE OF BEGINNING, containing 48,546 acres, more or less, as made part of this description.

PORTION OF SOUTHWESTERN WATER DISTRICT IN HARRISON COUNTY

Southwestern Water District is located in Taylor and Harrison Counties. The following described area is that area of Southwestern Water District which is situated in Harrison County.

BEGINNING at a point in the County line between Harrison and Taylor County at its intersection with WV Route 13/2, said point being at latitude North 39° 15' 43" and longitude West 80° 11' 03" and running;

THENCE North 61° 10' West 1.1 miles;

THENCE West 1.5 miles;

THENCE North 0.8 miles;

THENCE East 0.5 miles;

THENCE North 1.8 miles to latitude North 39° 18' 25" and longitude West 80° 13' 16";

THENCE East 0.9 miles to the County line between Harrison and Taylor County;

THENCE following said County line in a southerly direction 3.7 miles to the point of beginning.

MUNICIPAL CORPORATIONS

The water service area of the municipal corporations of Anmoore, Bridgeport, Clarksburg, Nutter Fort, Salem, Stonewood and West Milford shall be described as the area encompassing the corporate boundaries of said municipalities and the area outside of the corporate boundaries currently served by existing municipal water lines.

2. That the Clerk of the Harrison County Commission shall cause a copy of this Resolution and Order to be filed with the Executive Secretary of the Public Service Commission not less than ten (10) days following the adoption thereof.

Entered into the permanent record of Harrison County, West Virginia, this the 15th day of October, 1998.

HARRISON COUNTY COMMISSION

Thomas A. Keeley
President

Commissioner

Commissioner

ATTEST:

County Clerk

ORIGINAL

ENTERED
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PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
2-25-99

Entered: February 5, 1999

CASE NO. 98-1230-PSD-PC

HARRISON COUNTY COMMISSION
Petition for consent and approval to merge the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District.

RECOMMENDED DECISION

On October 2, 1998, the Harrison County Commission (Harrison County) filed a petition with the Public Service Commission for approval of the merger of the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District.

By Order dated October 26, 1998, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before April 29, 1999.

On November 20, 1998, Staff Attorney James V. Kelsh, Esquire, filed the Final Joint Staff Memorandum to which was attached the Final Internal Memorandum prepared by Mr. Randy Lengyel, Utilities Analyst II, Water and Wastewater Division. Staff recommended that the Commission approve the petition of the Harrison County Commission, subject to the following:

1. The Greater Harrison County Public Service District be required to place the cash assets of the Mt. Clare Road Public Service District into a separate interest-bearing account for repairs, replacements and extensions to the Mt. Clare Road Public Service District;

2. After the Mt. Clare Road Public Service District's debts are paid in full, any cash surplus should be deposited into the Mt. Clare Road Public Service District cash account;

3. Following the merger, the Greater Harrison County Public Service District should continue to charge the current rates of the Mt. Clare Road Public Service District to the former Mt. Clare Road Public Service District customers until otherwise ordered by the Commission, in accordance with Rule 31 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle.

Public Service Commission
of West Virginia

5. At the hearing held in this matter on January 26, 1999, no one appeared in protest to the Harrison County Commission petition. (See Tr., p. 6).

CONCLUSION OF LAW

Since the Harrison County Commission gave notice of the hearing to be held on its petition on January 26, 1999, in accordance with the Commission's requirements and no one appeared at said hearing to give protest to the petition, the petition of the Harrison County Commission filed on October 2, 1998, seeking approval of the merger of Mt. Clare Road Public Service District into the Greater Harrison County Public Service District can be approved, subject to the Staff-recommended conditions as set forth in Appendix A to this order.

ORDER

IT IS, THEREFORE, ORDERED that the order of the Harrison County Commission, dated September 22, 1998, and filed on October 2, 1998, merging the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District, be, and the same hereby is, approved, subject to the conditions as set forth in Appendix A to this order.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:mal
981230AA.WPD

APPENDIX A

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

CASE NO. 98-1230-PSD-PC

HARRISON COUNTY COMMISSION.
Petition for consent and approval to merge the Mt. Clare Road Public Service District into the Greater Harrison County Public Service District.

CONDITIONS OF MERGER

1. The Greater Harrison County Public Service District shall place the cash assets of the Mt. Clare Road Public Service District into a separate interest-bearing account for repairs, replacements and extensions to the Mt. Clare Road Public Service District;

2. After the Mt. Clare Road Public Service District's debts are paid in full, any cash surplus shall be deposited into the Mt. Clare Road Public Service District cash account;

3. Following the merger, the Greater Harrison County Public Service District shall continue to charge the current rates of the Mt. Clare Road Public Service District to the former Mt. Clare Road Public Service District customers until otherwise ordered by the Commission, in accordance with Rule 31 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle.

GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

A RESOLUTION APPROVING AND RATIFYING THE MERGER OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, QUIET DELL PUBLIC SERVICE DISTRICT AND VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT INTO GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AND THE ASSUMPTION OF THE BONDS AND THE RECEIPT OF ALL ASSETS OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, QUIET DELL PUBLIC SERVICE DISTRICT AND VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT BY GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT

WHEREAS, Lost Creek-Mt. Clare Public Service District, Quiet Dell Public Service District and Valley of Good Hope Public Service District are public service districts and public corporations created by The County Commission of Harrison County and formed pursuant to the provisions of W.Va. Code 16-13A-1, et seq. (collectively, the "Merged Districts");

WHEREAS, the Boards of the Merged Districts petitioned The County Commission of Harrison County to merge the Merged Districts into Greater Harrison County Public Service District;

WHEREAS, The County Commission of Harrison County adopted a resolution on October 15, 1998, ordering the merger of the Merged Districts into Greater Harrison County Public Service District;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved and ordered the merger of the Merged Districts into Greater Harrison County Public Service District;

WHEREAS, contemporaneously with the merger of the Merged Districts into Greater Harrison County Public Service District, the Merged Districts desire to assign, and Greater Harrison County Public Service District desires to assume, all debts, duties and other liabilities of the Merged Districts, specifically including, but not limited to, all liabilities for and obligations under the Lost Creek-Mt. Clare Public Service District Waterworks System Revenue Bonds, Series A, dated December 16, 1966, issued in the original aggregate principal amount of $330,000 (the "Series 1966 Bonds") and the Lost Creek-Mt. Clare Public Service District Water Revenue Bonds, Series 1974, dated May 27, 1976, issued in the original aggregate principal amount of $305,000 (the 'Series 1974 Bonds") (collectively, "Prior Bonds");

WHEREAS, contemporaneously with the merger of the Merged Districts into Greater Harrison County Public Service District, Greater Harrison County Public Service District desires to re-designate the Series 1966 Bonds and the Series 1974 Bonds as water revenue bonds of Greater Harrison County Public Service District;

WHEREAS, the United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture, as holder of the Series 1966 Bonds and the Series 1974 Bonds has approved the merger of the Merged Districts into Greater Harrison County Public Service District, the assignment of the Series 1966 Bonds and the Series 1974 Bonds by Lost Creek-Mt. Clare Public Service District, and the assumption and re-designation of the Series 1966 Bonds and the Series 1974 Bonds by Greater Harrison County Public Service District; and

WHEREAS, it is in the best interest of the customers of the Merged Districts and Greater Harrison County Public Service District to complete the merger, to convey all assets, rights, privileges, immunities and powers of the Merged Districts to Greater Harrison County Public Service District and for Greater Harrison County Public Service District to assume and re-designate the Series 1966 Bonds and the Series 1974 Bonds.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY, RESOLVED AND ORDERED BY PUBLIC SERVICE BOARD OF GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT AS FOLLOWS:

1. Greater Harrison County Public Service District does hereby authorize and ratify the merger of the Merged Districts into Greater Harrison County Public Service District, the receipt of all assets of the Merged Districts by Greater Harrison County Public Service District, the assumption of all debts, duties and liabilities of the Merged Districts by Greater Harrison County Public Service District, specifically including, but not limited to, the assumption of the Series 1966 Bonds and the Series 1974 Bonds and the re-designation of the Series 1966 Bonds and the Series 1974 Bonds as water revenue bonds of Greater Harrison County Public Service District.

2. Greater Harrison County Public Service District does hereby authorize and ratify the assumption of all liabilities, rights, responsibilities and obligations in connection with the Series 1966 Bonds and the Series 1974 Bonds, specifically including, but not limited to, those liabilities, rights, responsibilities and obligations set forth in the resolutions and letter of conditions for the Series 1966 Bonds and the Series 1974 Bonds.

3. Upon assumption of the Series 1966 Bonds and the Series 1974 Bonds, such bonds shall be re-designated as Greater Harrison County Public Service District Water Revenue Bonds, Series 1966 (United States Department of Agriculture) and Water Revenue Bonds, Series 1974 (United States Department of Agriculture).

4. The statutory mortgage liens of the Series 1966 Bonds and the Series 1974 Bonds are hereby assumed by Greater Harrison County Public Service District.

5. The Chairman and Secretary of Greater Harrison County Public Service District are hereby authorized and directed to execute all documents to effectuate merger of the Merged Districts into Greater Harrison County Public Service District, the transfer of all assets of the Merged Districts to Greater Harrison County Public Service District, the assumption of all debts, duties and liabilities of the Merged Districts by Greater Harrison County Public Service District, specifically including, but not limited to, the assumption of the Series 1966 Bonds and the Series 1974 Bonds, and the re-designation of the Series 1966 Bonds and the Series 1974 Bonds as water revenue bonds of Greater Harrison County Public Service District.

6. All lawful actions taken, or to be taken, by the parties to the merger and their counsel to effectuate and complete the merger of the Merged Districts into Greater Harrison County Public Service District, and all actions taken by the Board, officers, employees and agents of Greater Harrison County Public Service District since the entry of the Final Order of the Public Service Commission of West Virginia on April 15, 1999 ordering the merger, are hereby ratified and confirmed.

7. This Resolution shall become effective immediately upon adoption thereof.

Adopted by the Public Service Board of Greater Harrison County Public Service District at a meeting held this 21st day of July, 2004.

Chairman

06/25/04
352650.00002

USDA UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

75 High Street Federal Building, Suite 320, Morgantown, WV 26505-7500
304.284.4860 • 1.800.295.8228 • fax 304.284.4893 • TTY/TDD 304.284.4836

[LETTERHEAD OF UNITED STATES DEPARTMENT OF AGRICULTURE]
(Consent of RUS to Merger and Parity)

July 27, 2004

Greater Harrison County Public Service District
Water Revenue Bonds, Series 2004 A
(West Virginia Infrastructure Fund)

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative for the United States of America, acting through the Rural Utilities Service, United States Department of Agriculture, the present holder of the Series 1966 Bonds and the Series 1974 Bonds, hereinafter defined and described, hereby consents to: (i) the merger of Lost Creek-Mt. Clare Public Service District, Quiet Dell Public Service District and Valley of Good Hope Public Service District (collectively, the "Merged Districts") into Greater Harrison County Public Service District (the "Issuer"); (ii) the conveyance of all of the assets of the Merged Districts to the Issuer, including, but not limited to, all real property, personal property, tangible property, intangible property, rights of way, easements, judgements, licenses and permits; (iii) the assumption of all bonds and other liabilities of the Merged Districts by the Issuer; (iv) the issuance of the Water Revenue Bonds, Series 2004 A (West Virginia Infrastructure Fund) (the "Series 2004 A Bonds"), in the principal amount of $703,000 by the Issuer, under the terms of the resolution authorizing the Series 2004 A Bonds (the "Series 2004 A Resolution") on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's assumed bonds of Lost Creek-Mt. Clare Public Service District Waterworks System Revenue Bonds, Series A (the "Series 1966 Bonds"), dated December 16, 1966, issued in the original aggregate principal amount of $330,000 and Lost Creek-Mt. Clare Public Service District Water Revenue Bonds, Series 1974 (the "Series 1974 Bonds"), dated May 26, 1976, issued in the original aggregate principal amount of $305,000 (collectively, the "Prior Bonds"); (v) the re-designation by the Issuer of the Series 1966 Bonds as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1966 (United States Department of Agriculture), and the re-designation by the Issuer of the Series 1974 Bonds as the Greater Harrison County Public Service District Water Revenue Bonds, Series 1974 (United States Department of Agriculture); (vi) the waiver of any requirements imposed by the Prior Bonds or the resolutions authorizing the Prior Bonds (the "Prior Resolutions"), regarding the issuance of parity bonds which are not met by the Series 2004 A Bonds or the Series 2004 A Resolution; and (vii) any amendments made to the Prior Resolutions by the Series 2004 A Resolution.

Jenny G. Phillips
State Director

USDA UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

75 High Street Federal Building, Suite 320, Morgantown, WV 26505-7500
304.284.4860 • 1.800.295.8228 • fax 304.284.4893 • TTY/TDD 304.284.4836

July 27, 2004

RELEASE OF OBLIGATIONS OF
LOST CREEK – MT. CLARE PUBLIC SERVICE DISTRICT,
QUIET DELL PUBLIC SERVICE DISTRICT, AND
VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

TO WHOM IT MAY CONCERN:

The undersigned STATE DIRECTOR of the United States Department of Agriculture, Rural Development, the present holder of the 1966 Water Revenue Bond, issued in the original aggregate principal amount of $330,000 and the 1976 Water Revenue Bond, issued in the original aggregate principal amount of $305,000 of the Lost Creek – Mt. Clare Public Service District, in consideration of the assumption of payment for the Bond by the Greater Harrison County Public Service District, West Milford, Harrison County, West Virginia, hereby releases the Lost Creek – Mt. Clare Public Service District from its obligation to pay the principal of interest on the Bonds and any other obligations relating to the Bonds and set forth in the Bond Resolution.

Jenny N. Phillips

JENNY N. PHILLIPS
State Director

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this 27th day of July, 2004, by and between LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part.

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture, as bondholder of Lost Creek-Mt. Clare Public Service District's outstanding bonds has approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District and Lost Creek-Mt. Clare Public Service District is hereby executing and delivering this Quitclaim Deed to evidence the transfer of all right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, owned by Lost Creek-Mt. Clare Public Service District to Greater Harrison County Public Service District.

NOW, THEREFORE, in consideration of said merger and the premises herein and Ten Dollars ($10.00), cash in hand paid, the receipt of which is hereby acknowledged, the party of the first part does hereby GRANT and CONVEY unto the party of the second part all of its right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, situate in Harrison County, West Virginia.

For the same consideration aforesaid, the said party of the first part does hereby assign, transfer, set over and convey to the party of the second part all personal property, including, but not limited to, all inventory, accounts receivable, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, other tangible personal property and any interest in personal property owned by the party of the first part, wherever located.

This conveyance is made subject to all exceptions, reservations, restrictions, easements, conditions and rights-of-way contained or mentioned in prior instruments of record affecting the subject property.

The undersigned party of the first part hereby declares that this conveyance is not subject to the West Virginia Excise Tax on the privilege of transferring real property because it is a conveyance from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

The property described herein was obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the

regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, or for so long as the purchaser owns it, whichever is later.

IN WITNESS WHEREOF, the party of the first part has hereto caused its corporate name to be signed and corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

LOST CREEK-MT. CLARE
PUBLIC SERVICE DISTRICT

[SEAL]

By: _____
Its: ~~Chairman~~ Sec. Treas.

MICHAEL & KUPEC
229 COURT STREET
CLARKSBURG, WV 26301

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

I, William C. Hoover, a Notary Public in and for the County and State aforesaid, do certify that John E. Lowther, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX 50
BRISTOL, WV 26332
My Commission Expires June 5, 2012

William C. Hoover
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

Comment: GH created April 15, 2004 - karrie

wc from Karrie on May 3, 2004

wc from Karrie on May 11, 2004

wc from FT on June 24, 2004 - v.2

wc from ft on June 25, 2004

wc from Karrie on July 13, 2004

07/13/05
352650.00002

CH672233.1

200400068967
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-08-2004 At 03:00 Pm.
0560 11.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 187 - 191

BILL OF SALE OF
LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

THIS BILL OF SALE, made this 27th day of July, 2004, by and between LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Seller," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Purchaser;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an order on October 15, 1998, ordering the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District; and

WHEREAS, The United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture, as bondholder of Lost Creek-Mt. Clare Public Service District's outstanding bonds has approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public

Service District and the Public Service Board of Lost Creek-Mt. Clare Public Service District is hereby executing and delivering this Bill of Sale to evidence the transfer of all personal property, tangible or intangible, and interests in personal property owned by Lost Creek-Mt. Clare Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Purchaser to the Seller, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Seller does hereby sell, assign, transfer, set over and deliver to Purchaser all personal property, including, but not limited to, all inventory, accounts receivable, deposit accounts, certificates of deposit, other evidences of indebtedness of a third party to the Seller, claims, causes of action, agreements, including, but not limited to, any indemnification agreements, contracts, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, and any other tangible or intangible personal property, and any interest in personal property owned by the Seller, wherever located and of whatever nature.

The Seller shall deliver possession of the aforesaid personal property to Purchaser on the date of this Bill of Sale.

IN WITNESS WHEREOF, Lost Creek-Mt. Clare Public Service District caused its corporate name to be signed and its corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

[SEAL]

By: _____ Sec. | Treas.

~~Its: Chairman~~

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

I, William C. Hoover, a Notary Public in and for the County and State aforesaid, do certify that John E. Lowther, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX 50
BRISTOL, WV 26332
My Commission Expires June 5, 2012

William C. Hoover
Notary Public

200400069704
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-22-2004 At 08:52 am.
DEED NO TAX 6.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 677 - 680

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

Comment: GH created April 15, 2004 - karrie
wc from Karrie on May 3, 2004
wc from Karrie on May 11, 2004
wc from FT on June 24, 2004 - v.2
wc from ft on June 25, 2004
wc from Karrie on July 13, 2004

07/13/05
352650.00002

CH677253.1

200400069704
MICHAEL & KUPEC
339 COURT STREET
CLARKSBURG, WV 26301

ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS OF
LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

THIS ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS, made this 27th day of July, 2004, by and between LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District; and

WHEREAS, The United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture, as bondholder of Lost

Creek-Mt. Clare Public Service District's outstanding bonds has approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District and the Public Service Board of Lost Creek-Mt. Clare Public Service District execute and deliver this Assignment of Rights of Way and Easements to evidence the transfer of all right, title and interest in and to any and all rights of way and easements owned by, or reserved to, Lost Creek-Mt. Clare Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby grant, sell, bargain, assign, transfer, set over, deliver and convey to Assignee all of its right, title and interest in and to any and all rights of way and easements, together with all appurtenant improvements, rights, and privileges, owned by, or reserved to, Greater Harrison County Public Service District. The intent of this conveyance is to convey to Assignee any and all Rights of Way and Easements which Assignor may have, whether or not documents conveying same to Assignor have been recorded in the Office of the Clerk of the County Commission of Harrison County, to which Assignor had an interest.

Pursuant to the provision of the West Virginia Code Section 11-22-1, Assignor declares that this conveyance is not subject to the excise tax on the privilege of transferring real property as the transfer is from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

The property described herein was obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, or for so long as the purchaser owns it, whichever is later.

MICHAEL & KUFEC
229 COURT STREET
CLARKSBURG, WV 26301

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

I, William C. Hoover, a Notary Public in and for the County and State aforesaid, do certify that John E. Lowther, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX 50
BRISTOL, WV 26332
My Commission Expires June 5, 2012

William C. Hoover
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

Comment: GH created April 15, 2004 - karrie

wc from Karrie on May 3, 2004

wc from Karrie on May 11, 2004

wc from FT on June 24, 2004 - v.2

wc from ft on June 25, 2004

wc from Karrie on July 13, 2004

07/13/05
352650.00002

CH677261.1

200400068966
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BAILE
10-08-2004 At 03:00p PM.
DEED NO $ 5.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 182 - 186

ASSIGNMENT OF JUDGEMENTS OF
LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

THIS ASSIGNMENT OF JUDGEMENTS, made this 27th day of July, 2004, by and between LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District; and

WHEREAS, The United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture, as bondholder of Lost Creek-Mt. Clare Public Service District's outstanding bonds and as grantor of certain grants to Lost Creek-Mt. Clare Public Service District has approved the merger of Lost Creek-Mt. Clare Public Service District into Greater Harrison County Public Service District and the Public Service Board of Lost Creek-Mt. Clare Public Service District is hereby executing and delivering this Assignment of Judgements to evidence the transfer of all right, title and interest in and to any and all interests in real estate, together with all improvements situate thereon and the judgements obtained in the course of collecting debts due by Lost Creek-Mt. Clare Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in and to any and all judgements obtained in the course of collecting debts due Lost Creek-Mt. Clare Public Service District.

IN WITNESS WHEREOF, Lost Creek-Mt. Clare Public Service District has caused its name to be signed and its corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

LOST CREEK-MT. CLARE
PUBLIC SERVICE DISTRICT

[SEAL]

By: _____
~~Its: Chairman~~ Secretary

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

I, William C. Hoover, a Notary Public in and for the County and State aforesaid, do certify that John E. Lawhon, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX 50
BRISTOL, WV 26332
My Commission Expires June 5, 2012

William C. Hoover
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069709
Filed for Record in
HARRISON COUNTY, WV
AVLDA BASILE
10-22-2004 At 08:52 am.
JUDGMENT 6.00
STATE TAX .00
CNTY TAX .00
Book 44 Page 498 - 501

07/13/05
352650.00002

4

CH672221.1

200400069709
MICHAEL S KUPEC
320 COURT STREET
CLARKSBURG, WV 26301

Comment: GH created April 15, 2004 - karrie

we from Karrie on May 3, 2004

we from Karrie on May 11, 2004

we from FT on June 24, 2004 - v.2

we from ft on June 25, 2004

we from Karrie on July 13, 2004

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this 27th day of July, 2004, by and between QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part.

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Public Service Board of Quiet Dell Public Service District has confirmed that there is no outstanding bond indebtedness and the Public Service Board has approved the merger and is hereby executing and delivering this Quitclaim Deed to evidence the transfer of all right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, owned by Quiet Dell Public Service District to Greater Harrison County Public Service District.

NOW, THEREFORE, in consideration of said merger and the premises herein and Ten Dollars ($10.00), cash in hand paid, the receipt of which is hereby acknowledged, the party of the first part does hereby GRANT and CONVEY unto the party of the second part all of its right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, situate in Harrison County, West Virginia.

For the same consideration aforesaid, the said party of the first part does hereby assign, transfer, set over and convey to the party of the second part all personal property, including, but not limited to, all inventory, accounts receivable, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, other tangible personal property and any interest in personal property owned by the party of the first part, wherever located.

This conveyance is made subject to all exceptions, reservations, restrictions, easements, conditions and rights-of-way contained or mentioned in prior instruments of record affecting the subject property.

The undersigned party of the first part hereby declares that this conveyance is not subject to the West Virginia Excise Tax on the privilege of transferring real property because it is a conveyance from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

The property described herein was obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, or for so long as the purchaser owns it, whichever is later.

IN WITNESS WHEREOF, the party of the first part has hereto caused its corporate name to be signed by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

QUIET DELL PUBLIC SERVICE DISTRICT

By: _____
Its: Secretary

STATE OF CONNECTICUT;
COUNTY OF NEW HAVEN, TO-WIT:

I, Vickie L. Crook, a Notary Public in and for the County and State aforesaid, do certify that Sharon Muthig, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22nd day of July, 2004.

My commission expires 1/31/07.

VICKIE L. CROOK
NOTARY PUBLIC
MY COMMISSION EXPIRES JAN. 31, 2007

Vickie L Crook
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069702
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-22-2004 At 08:52 am.
DEED 11.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 668 - 672

200400069702
MICHAEL J KUPEC
228 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

BILL OF SALE OF
QUIET DELL PUBLIC SERVICE DISTRICT

THIS BILL OF SALE, made this 27th day of July, 2004, by and between QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Seller," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Purchaser;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an order on October 15, 1998, ordering the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Public Service Board of Quiet Dell Public Service District has confirmed that there is no outstanding bond indebtedness and the Public Service Board of Quiet Dell Public Service District is hereby executing and delivering this Bill of Sale to evidence the transfer of all personal property, tangible or intangible, and interests in personal property owned by Quiet Dell Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Purchaser to the Seller, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Seller does hereby sell, assign, transfer, set over and deliver to Purchaser all personal property, including, but not limited to, all inventory, accounts receivable, deposit accounts, certificates of deposit, other evidences of indebtedness of a third party to the Seller, claims, causes of action, agreements, including, but not limited to, any indemnification agreements, contracts, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, and any other tangible or intangible personal property, and any interest in personal property owned by the Seller, wherever located and of whatever nature.

The Seller shall deliver possession of the aforesaid personal property to Purchaser on the date of this Bill of Sale.

IN WITNESS WHEREOF, Quiet Dell Public Service District has caused its corporate name to be signed by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

QUIET DELL PUBLIC SERVICE DISTRICT

By: _____
Its: Secretary

STATE OF CONNECTICUT;
COUNTY OF NEW HAVEN, TO-WIT:

I, Vickie L. Crook, a Notary Public in and for the County and State aforesaid, do certify that Sharon Muthig, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22nd day of July, 2004.

My commission expires Jan. 31, 2007.

VICKIE L. CROOK
NOTARY PUBLIC
MY COMMISSION EXPIRES JAN. 31, 2007

Vickie L Crook
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069702
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-22-2004 At 08:52 am.
DEED NO TAX 5.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 673 - 676

200400069703
MICHAEL A KUPEC
229 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS OF
QUIET DELL PUBLIC SERVICE DISTRICT

THIS ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS, made this 27th day of July, 2004, by and between QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Public Service Board of Quiet Dell Public Service District has confirmed that there is no outstanding bond indebtedness and the Public Service Board of Quiet Dell Public Service District is hereby executing and delivering this Assignment of Rights of Way and Easements to evidence the transfer of all right, title and

interest in and to any and all rights of way and easements owned by, or reserved to, Quiet Dell Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby grant, sell, bargain, assign, transfer, set over, deliver and convey to Assignee all of its right, title and interest in and to any and all rights of way and easements, together with all appurtenant improvements, rights, and privileges, owned by, or reserved to, Greater Harrison County Public Service District. The intent of this conveyance is to convey to Assignee any and all Rights of Way and Easements which Assignor may have, whether or not documents conveying same to Assignor have been recorded in the Office of the Clerk of the County Commission of Harrison County, to which Assignor had an interest.

Pursuant to the provision of the West Virginia Code Section 11-22-1, Assignor declares that this conveyance is not subject to the excise tax on the privilege of transferring real property as the transfer is from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

The property described herein was obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national

origin, handicap, religion, age or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, or for so long as the purchaser owns it, whichever is later.

IN WITNESS WHEREOF, the Quiet Dell Public Service District has caused its corporate name to be signed by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

QUIET DELL PUBLIC SERVICE DISTRICT

By: Sharon R Nutting
Its: Secretary

STATE OF CONNECTICUT;
COUNTY OF NEW HAVEN, TO-WIT:

I, Vickie L. Crook, a Notary Public in and for the County and State aforesaid, do certify that Sharon Muthig, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22nd day of July, 2004.

My commission expires Jan 31, 2007.

VICKIE L. CROOK
NOTARY PUBLIC
MY COMMISSION EXPIRES JAN. 31, 2007

Vickie L Crook
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069706
Filed for Record in
HARRISON COUNTY, WV
SYLVIA SOSTILE
10-27-2004 At 08:30 am.
DEED NO TAX 5.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 685 - 689

200400069706
MICHAEL A KUPER
229 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

ASSIGNMENT OF JUDGEMENTS OF
QUIET DELL PUBLIC SERVICE DISTRICT

THIS ASSIGNMENT OF JUDGEMENTS, made this 27th day of July, 2004, by and between QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Quiet Dell Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Assignor hereby certifies that it has no outstanding bond indebtedness. The Board of the Quiet Dell Public Service District is hereby executing and delivering this Assignment of Judgements to evidence the transfer of all right, title and interest in and to any and all interests in real estate, together with all improvements

situate thereon and the judgements obtained in the course of collecting debts due by Quiet Dell Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in and to any and all judgements obtained in the course of collecting debts due Quiet Dell Public Service District.

IN WITNESS WHEREOF, Quiet Dell Public Service District has caused its name to be signed by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

QUIET DELL PUBLIC SERVICE DISTRICT

By: _____
Its: Secretary

STATE OF CONNECTICUT;
COUNTY OF NEW HAVEN, TO-WIT:

I, Vickie L Crook, a Notary Public in and for the County and State aforesaid, do certify that Sharon Muthig, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for QUIET DELL PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 22nd day of July, 2004.

My commission expires Jan 31, 2007.

VICKIE L. CROOK
NOTARY PUBLIC
MY COMMISSION EXPIRES JAN. 31, 2007

Vickie L Crook
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069707
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-22-2004 At 08:52 am.
JUDGMENT 6.00
STATE TAX .00
CNTY TAX .00
Book 44 Page 490 - 493

200400069707
MICHAEL & KUPEC
228 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this 27th day of July, 2004, by and between VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part.

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Public Service Board of Valley of Good Hope Public Service District has confirmed that there is no outstanding bond indebtedness and the Public Service Board has approved the merger and is hereby executing and delivering this Quitclaim Deed to evidence the transfer of all right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, owned by Valley of Good Hope Public Service District to Greater Harrison County Public Service District.

NOW, THEREFORE, in consideration of said merger and the premises herein and Ten Dollars ($10.00), cash in hand paid, the receipt of which is hereby acknowledged, the party of the first part does hereby GRANT and CONVEY unto the party of the second part all of its right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, situate in Harrison County, West Virginia.

For the same consideration aforesaid, the said party of the first part does hereby assign, transfer, set over and convey to the party of the second part all personal property, including, but not limited to, all inventory, accounts receivable, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, other tangible personal property and any interest in personal property owned by the party of the first part, wherever located.

This conveyance is made subject to all exceptions, reservations, restrictions, easements, conditions and rights-of-way contained or mentioned in prior instruments of record affecting the subject property.

The undersigned party of the first part hereby declares that this conveyance is not subject to the West Virginia Excise Tax on the privilege of transferring real property because it is a conveyance from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

The property described herein was obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, or for so long as the purchaser owns it, whichever is later.

IN WITNESS WHEREOF, the party of the first part has hereto caused its corporate name to be signed and corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

VALLEY OF GOOD HOPE
PUBLIC SERVICE DISTRICT

[SEAL]

By: _____
Its: Chairman

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

I, William C. Hoover, a Notary Public in and for the County and State aforesaid, do certify that Evan Higus, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 21 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX
BRISTOL, WV
My Commission Exp

William C. Hoover
Notary Public

200400068965
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-08-2004 At 03:00 PM.
DEED 11.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 177 - 181

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400068965
MICHAEL & KUPEC
228 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

BILL OF SALE OF
VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

THIS BILL OF SALE, made this 27th day of July, 2004, by and between VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Seller," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Purchaser;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an order on October 15, 1998, ordering the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Public Service Board of Valley of Good Hope Public Service District has confirmed that there is no outstanding bond indebtedness and the Public Service Board of Valley of Good Hope Public Service District is hereby executing and delivering this Bill of Sale to evidence the transfer of all personal property, tangible

or intangible, and interests in personal property owned by Valley of Good Hope Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Purchaser to the Seller, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Seller does hereby sell, assign, transfer, set over and deliver to Purchaser all personal property, including, but not limited to, all inventory, accounts receivable, deposit accounts, certificates of deposit, other evidences of indebtedness of a third party to the Seller, claims, causes of action, agreements, including, but not limited to, any indemnification agreements, contracts, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, and any other tangible or intangible personal property, and any interest in personal property owned by the Seller, wherever located and of whatever nature.

The Seller shall deliver possession of the aforesaid personal property to Purchaser on the date of this Bill of Sale.

IN WITNESS WHEREOF, Valley of Good Hope Public Service District has caused its corporate name to be signed and its corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

VALLEY OF GOOD HOPE
PUBLIC SERVICE DISTRICT

[SEAL]

By: _____
Its: Chairman

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

I, William C Hoover, a Notary Public in and for the County and State aforesaid, do certify that Evan Hucus, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 21 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX 60
BRISTOL, WV 26
My Commission Expires

William C. Hoover
Notary Public

200400069705
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-22-2004 At 08:52 am.
DEED NO TAX 6.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 681 - 684

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069705
MICHAEL J KUPEC
228 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS OF
VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

THIS ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS, made this 27th day of July, 2004, by and between VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Public Service Board of Valley of Good Hope Public Service District has confirmed that there is no outstanding bond indebtedness and the

Public Service Board of Valley of Good Hope Public Service District is hereby executing and delivering this Assignment of Rights of Way and Easements to evidence the transfer of all right, title and interest in and to any and all rights of way and easements owned by, or reserved to, Valley of Good Hope Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby grant, sell, bargain, assign, transfer, set over, deliver and convey to Assignee all of its right, title and interest in and to any and all rights of way and easements, together with all appurtenant improvements, rights, and privileges, owned by, or reserved to, Greater Harrison County Public Service District. The intent of this conveyance is to convey to Assignee any and all Rights of Way and Easements which Assignor may have, whether or not documents conveying same to Assignor have been recorded in the Office of the Clerk of the County Commission of Harrison County, to which Assignor had an interest.

Pursuant to the provision of the West Virginia Code Section 11-22-1, Assignor declares that this conveyance is not subject to the excise tax on the privilege of transferring real property as the transfer is from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

The property described herein was obtained or improved with Federal financial assistance and is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the

Rehabilitation Act of 1973, and other similarly worded Federal statutes, and the regulations issued pursuant thereto that prohibit discrimination on the basis of race, color, national origin, handicap, religion, age or sex in programs or activities receiving Federal financial assistance. Such provisions apply for as long as the property continues to be used for the same or similar purposes for which the Federal assistance was extended, or for so long as the purchaser owns it, whichever is later.

IN WITNESS WHEREOF, the Valley of Good Hope Public Service District has caused its corporate name to be signed and its corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

VALLEY OF GOOD HOPE
PUBLIC SERVICE DISTRICT

[SEAL]

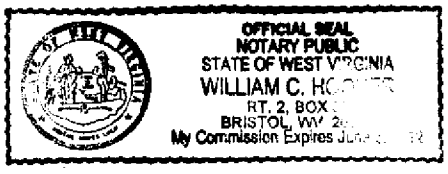
By _____
Its Chairman

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

I, WILLIAM C. HOOVER, a Notary Public in and for the County and State aforesaid, do certify that EVAN HUGUS, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 21 day of July, 2004.

My commission expires 6/5/2012.



William C. Hoover
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400068964
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-08-2004 At 03:00 pm.
DEED NO $ 6.00
STATE TAX .00
CNTY TAX .00
Book 1369 Page 175 - 176

200400068964
MICHAEL & KUPEC
228 COURT STREET
CLARKSBURG, WV 26301

07/13/05
352650.00002

ASSIGNMENT OF JUDGEMENTS OF
VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

THIS ASSIGNMENT OF JUDGEMENTS, made this 27th day of July, 2004, by and between VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and GREATER HARRISON COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Harrison County, West Virginia, adopted an Order on October 15, 1998, ordering the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District, subject to the approval of the Public Service Commission of West Virginia and the bondholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 98-1516-PWD-PC, by Final Order entered on April 15, 1999, approved the merger of Valley of Good Hope Public Service District into Greater Harrison County Public Service District; and

WHEREAS, the Assignor hereby certifies that it has no outstanding bond indebtedness. The Board of the Valley of Good Hope Public Service District is hereby executing and delivering this Assignment of Judgements to evidence the transfer of all right, title and interest in and to any and all interests in real estate, together with all

improvements situate thereon and the judgements obtained in the course of collecting debts due by Valley of Good Hope Public Service District to Greater Harrison County Public Service District.

WITNESSETH, that for the sum of Ten and 00/100 Dollars ($10.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in and to any and all judgements obtained in the course of collecting debts due Valley of Good Hope Public Service District.

IN WITNESS WHEREOF, Valley of Good Hope Public Service District has caused its name to be signed and its corporate seal to be affixed hereto by its proper officer thereunto duly authorized, all as of the day and year first hereinabove written.

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

[SEAL]

By: _____
Its: Chairman

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

I, WILLIAM C. HOOVER, a Notary Public in and for the County and State aforesaid, do certify that EVAN HUGUS, who signed the writing hereto annexed, bearing date the 27th day of July, 2004, for VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 21 day of July, 2004.

My commission expires 6/5/2012.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
WILLIAM C. HOOVER
RT. 2, BOX 50
BRISTOL, WV 26332
My Commission Expires June 5, 2012

William C. Hoover
Notary Public

This instrument prepared by:

Steptoe & Johnson PLLC
Charleston, West Virginia 25326
(304) 353-8000

200400069708
Filed for Record in
HARRISON COUNTY, WV
SYLVIA BASILE
10-22-2004 At 08:52 am.
JUDGMENT 6.00
STATE TAX .00
CNTY TAX .00
Book 44 Page 494 - 497

07/13/05
352650.00002

200400069708
MICHAEL & KUPEC
228 COURT STREET
CLARKSBURG, WV 26301

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW
Clarksburg Charleston Morgantown Martinsburg Wheeling Huntington

Bank One Center, Seventh Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoelaw.com

Writer's Contact Information

July 27, 2004

Merger of Lost Creek-Mt. Clare Public Service District,
Quiet Dell Public Service District and Valley of Good Hope Public Service District
into Greater Harrison County Public Service District

Greater Harrison County Public Service District
West Milford, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

Ladies and Gentlemen:

We have acted as bond counsel in connection with the merger (the "Merger") of Lost Creek-Mt. Clare Public Service District, Quiet Dell Public Service District and Valley of Good Hope Public Service District (collectively, the "Merged Districts") into Greater Harrison County Public Service District ("Greater Harrison"), in Harrison County, West Virginia, the assumption and re-designation of the bonds of Lost Creek-Mt. Clare Public Service District by Greater Harrison and the dissolution of the Merged Districts, pursuant to Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act").

We have examined the applicable provisions of the Act, the Order of The County Commission of Harrison County duly adopted on October 15, 1998, and the Resolutions of Greater Harrison duly adopted on July 21, 2004 (collectively, the "Resolutions"), pursuant to and under which Act and Resolutions the Merged Districts are merged into Greater Harrison, the bonds of Lost Creek-Mt. Clare Public Service District are assumed and re-designated by Greater Harrison, and the Merged Districts are dissolved.

As to questions of fact material to our opinion, we have relied upon the representations of The County Commission of Harrison County and Greater Harrison, contained in the Resolutions and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

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. Greater Harrison is a duly created and validly existing public service district, public corporation and political subdivision of the State of West Virginia, with corporate power to acquire by merger the assets of the Merged Districts, to assume the bonds and liabilities of the Merged Districts and re-designate the Assumed Bonds (as hereinafter defined) and to operate and maintain the System, all under

TERRALEX

the Act and other applicable provisions of law. The members and officers of the public service board of Greater Harrison have been duly and properly appointed and elected, have taken the requisite oaths and were, as of the date of their official actions, authorized to act on behalf of Greater Harrison in their respective capacities.

2. The County Commission of Harrison County, Greater Harrison and the Merged Districts have duly adopted all necessary resolutions and orders in connection with the Merger, the assumption of all of the bonds, liabilities and obligations of the Merged Districts by Greater Harrison, the re-designation of the Assumed Bonds, the conveyance of all assets of the Merged Districts to Greater Harrison and the dissolution of the Merged Districts.

3. The conveyance of all assets of the Merged Districts to Greater Harrison has been duly authorized by the Merged Districts, respectively. As of the date hereof, the Merged Districts are merged into Greater Harrison and Greater Harrison holds valid title to all assets, including, but not limited to, real and personal property, of the Merged Districts.

4. Prior to the Merger, the Lost Creek-Mt. Clare Public Service District had outstanding its Waterworks System Revenue Bonds, Series A, dated December 16, 1966, issued in the original aggregate principal amount of $330,000 (the "Series 1966 Bonds"), and the Water Revenue Bonds, Series 1974, dated May 27, 1976, issued in the original aggregate principal amount of $305,000, both are held by the United States Department of Agriculture (collectively, the "Assumed Bonds"). Greater Harrison has assumed all obligations under, and responsibility for the payment of the principal of and interest on the Assumed Bonds.

The Assumed Bonds have been re-designated by Greater Harrison as follows:

(a) Greater Harrison County Public Service District Water Revenue Bonds, Series 1966 (United States Department of Agriculture), dated December 16, 1966, issued in the original aggregate principal amount of $330,000.

(b) Greater Harrison County Public Service District Water Revenue Bonds, Series 1974 (United States Department of Agriculture), dated May 27, 1976, issued in the original aggregate principal amount of $305,000.

The assumption of the Assumed Bonds has been duly authorized by Greater Harrison and the Assumed Bonds are valid, legally enforceable and binding obligations of Greater Harrison, enforceable in accordance with their terms and the resolutions approving the Assumed Bonds. The Assumed Bonds are secured by a first lien on and a pledge of the Net Revenues of the System and a first priority statutory mortgage lien on the System, on a parity with each other and with the Series 2004 A Bonds issued by the Issuer on the date hereof.

5. Greater Harrison has reserved the right to issue additional bonds ranking on a parity with the Assumed Bonds, subject to the advance written consent of the holder of the Assumed Bonds.

6. The consummation of the transactions contemplated by the Resolutions 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 each District, a breach of or default under any resolution, agreement or other instrument to which each District is a party or any existing law, regulation, court order or consent decree to which each District is subject.

7. The County Commission of Harrison County and the Merged Districts have received the Final Order of the Public Service Commission of West Virginia entered on April 15, 1999, in Case No. 98-1516-PWD-CN, approving the merger of the Merged Districts into Greater Harrison. The time for appeal of such Final Order has expired prior to the date hereof without any appeal having been filed. Such Final Order remains in full force and effect.

8. To the best of our 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 Resolutions, the merger of the Merged Districts into Greater Harrison, the assumption and re-designation of the Assumed Bonds by Greater Harrison, the conveyance of all assets of the Merged Districts to Greater Harrison, the dissolution of the Merged Districts, 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.

It is to be understood that the rights of the holders of the Bonds, and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that such enforcement may also be subject to the exercise of judicial discretion in appropriate cases

Very truly yours,

STEPTOE & JOHNSON PLLC

06/25/04
352650.00002

A RESOLUTION OF THE PUBLIC SERVICE BOARD OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF FACILITIES FOR THE DISTRIBUTION OF WATER WITHIN THE SAID DISTRICT AND, TO THAT END, AUTHORIZING THE ISSUANCE OF SERIAL REVENUE BONDS IN THE TOTAL PRINCIPAL AMOUNT OF $330,000; PROVIDING FOR THE PAYMENT OF SAID BONDS AS TO PRINCIPAL AND INTEREST AND ESTABLISHING THE SECURITY THEREFOR; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AUTHORIZING THE ISSUANCE OF ADDITIONAL BONDS UNDER SPECIFIED CONDITIONS; AND FOR OTHER PURPOSES

WHEREAS, Lost Creek-Mt. Clare Public Service District (hereinafter sometimes called the "District") in Harrison County, West Virginia, has heretofore been duly created and is now organized and operating under the provisions of West Virginia Code, Chapter 16, Article 13A, and the Public Service Board of said District has heretofore been appointed and approved by the County Court of Harrison County, West Virginia, and is now functioning as the governing body of said District, having the duties, powers, and authority as provided by said law; and

WHEREAS, the Public Service Board of said District (hereinafter sometimes called the "Board") has heretofore determined the necessity and advisability of constructing a water distribution system (herein sometimes called "Water-works System") within said District in order to supply adequate water facilities for said District and its inhabitants for agricultural, industrial, public, and private uses; and

WHEREAS, under the provisions of said West Virginia Code, Chapter 16, Article 13A, said District is authorized and empowered to construct and operate such Water-works System, and to issue revenue bonds payable as hereinafter provided for the revenues derived from such operation for the purpose of providing funds for such construction; and

WHEREAS, the District has been approved for a development grant from the Farmers Home Administration in the amount of $ 235,000 and desire and intend that provisions be made in and by this resolution for the issuance of serial revenue bonds in the total amount of $ 330,000

which will be used with the grant funds to pay the costs of the Water-works System, and to provide for the payment of said bonds and interest thereon and to set forth the conditions and restrictions upon which such bonds and any additional bonds ranking on a parity therewith are to be and may be issued and outstanding; and

WHEREAS, the Board has determined to secure insurance for the payment of the principal and interest of said bonds by the United States of America, acting through the Farmers Home Administration, U. S. Department of Agriculture (hereinafter called the "Government") pursuant to the provisions of the Consolidated Farmers Home Administration Act of 1961, and accordingly to provide herein those covenants and provisions required therefor by the Government; the Board having further determined that, in the absence of such insurance by the Government, the District is unable to obtain sufficient credit elsewhere to finance the Water-works System taking into consideration prevailing private and cooperative rates and terms currently available;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Public Service Board of the Lost Creek-Mt. Clare Public Service District of Harrison County, West Virginia, as follows:

Section 1. Necessity. It is hereby found to be necessary that Lost Creek-Mt. Clare Public Service District provide a portion of the financing for construction of the Water-works System which will be comprised of (a) water lines having a total length of 19.62 miles, with diameter of the pipe ranging from 6 inches down to 1 inch, (b) one booster station with a capacity of 150 GPM, located in Mt. Clare, (c) one storage tank - 180,000 gallon, located in Lost Creek, with attendant pumps, valves and other equipment and appurtenances necessary thereto, as set forth with particularity in plans prepared by J. H. Milam, Inc., Consulting Engineers, a copy of which is on file in the Office of the District.

Section 2. Ratification. That all action heretofore taken (not inconsistent with the provisions of this resolution) by the Board directed toward construction of the Water-works System and toward the issuance of the District's revenue bonds for that purpose, be, and the same hereby is ratified, approved, and confirmed.

Section 3. Authorization of Water-works System. That the construction of the Water-works System to serve the District shall be, and the same is hereby ordered to be undertaken at a total cost of not exceeding $566,780 to be defrayed with the proceeds of the District's revenue bonds issued pursuant to this resolution.

Section 4. (a) Authorization of Revenue Bonds. For the purpose of defraying a portion of the cost of constructing the Water-works System, it is hereby declared necessary that the Board make and issue, and there is hereby authorized to be issued, pursuant to the applicable provisions of Article 13A, Chapter 16, West Virginia Code of 1961, fully registered Series A bonds, without coupons, bearing interest at a rate not to exceed 5% per annum payable annually, to be sold in such manner and at such time found by the Board to be most advantageous, in the total principal amount of $330,000 and in substantially the form set forth in Section 9 of this resolution, payable both as to principal and interest solely out of the net income derived from the operation of the Water-works System, and the Board pledges irrevocably, but not necessarily exclusively, such net income to the payment of these bonds and the interest thereon, the proceeds thereof to be used solely for the purpose of constructing the Water-works System.

The schedule of the Bond Numbers, Amount Maturing and Year Maturing is set forth as follows:

Bond Number	Amount Maturing	Year Maturing
1 through 2	$ 4,000.00	January 1, 1969
3 through 4	4,000.00	January 1, 1970
5 through 6	4,000.00	January 1, 1971
7 through 8	4,000.00	January 1, 1972
9 through 10	4,000.00	January 1, 1973
11 through 12	4,000.00	January 1, 1974
13 through 14	4,000.00	January 1, 1975
15 through 16	4,000.00	January 1, 1976
17 through 19	6,000.00	January 1, 1977
20 through 22	6,000.00	January 1, 1978
23 through 25	6,000.00	January 1, 1979
26 through 28	6,000.00	January 1, 1980
29 through 31	6,000.00	January 1, 1981
32 through 34	6,000.00	January 1, 1982
35 through 38	8,000.00	January 1, 1983
39 through 42	8,000.00	January 1, 1984
43 through 46	8,000.00	January 1, 1985
47 through 50	8,000.00	January 1, 1986
51 through 54	8,000.00	January 1, 1987
55 through 58	8,000.00	January 1, 1988
59 through 62	8,000.00	January 1, 1989
63 through 66	8,000.00	January 1, 1990
67 through 71	10,000.00	January 1, 1991
72 through 76	10,000.00	January 1, 1992
77 through 81	10,000.00	January 1, 1993
82 through 86	10,000.00	January 1, 1994
87 through 91	10,000.00	January 1, 1995
92 through 96	10,000.00	January 1, 1996
97 through 102	12,000.00	January 1, 1997
103 through 108	12,000.00	January 1, 1998
109 through 114	12,000.00	January 1, 1999
115 through 121	14,000.00	January 1, 2000
122 through 128	14,000.00	January 1, 2001
129 through 135	14,000.00	January 1, 2002
136 through 142	14,000.00	January 1, 2003
143 through 149	14,000.00	January 1, 2004
150 through 157	16,000.00	January 1, 2005
158 through 165	16,000.00	January 1, 2006

(b) Enforcement Rights of Holder. The holder of the bonds shall have the right by suit, action, mandamus or other appropriate proceeding to complete performance of the duties undertaken by the District in connection with the issuance of the bonds and the duties of the District imposed by Article 13A (Section 17) Chapter 16, West Virginia Code of 1961.

(c) Tax Exemption. The bonds and interest thereon shall be exempt from the taxation by the State of West Virginia and any other taxing bodies of that State (Article 13A, Section 21), Chapter 16, West Virginia Code of 1961.

(d) Redemption Rights. Bonds will be noncallable prior to maturity during the first five years from the date of the issuance of said bonds. Thereafter any bond may be callable for retirement on any interest due date by payment of its principal amount plus accrued interest thereon by giving notice by certified mail to the registered owner of the bond not less than 30 days prior to the redemption date or so long as the bond is insured by the Government by notice mailed at least 40 days prior to the date fixed for redemption to the Director, Finance Office, Farmers Home Administration, United States Department of Agriculture, 1520 Market Street, Sr. Louis, Missouri, 63103, or such other place as the Government may designate.

Section 5. Revenue Bond Registration. The bonds are fully negotiable, but shall be registered in the name of the holder in a book maintained for that purpose in the office of the Secretary of the Public Service Board of the District, such registration being noted thereon by the Secretary as Bond Registrar, after which no transfer shall be valid unless made on said books and similarly noted on the bond. No charge shall be made for registration.

Section 6. Covenants Pertaining to Government Insurance. In order to secure and maintain for the benefit of the holder of the revenue

bonds insurance by the Government of the payment of the principal and interest thereof, and for so long as the bonds are outstanding and are so insured, the Board covenants that:

(a) It will pay to the Government the insurance charge in accordance with the provisions of the Consolidated Farmers Home Administration Act of 1961 and the applicable regulations of the Farmers Home Administration;

(b) It will cause to be printed on the bonds insured by the Government such form of notice of insurance endorsement as shall be specified by the Government and it will comply with all terms and conditions of such insurance endorsement and the applicable regulations of the Farmers Home Administration;

(c) In the event the Government shall make any advances required to meet payments on the bonds insured by it, or the payment of insurance premiums or other advances which may be required to protect the Government's security interest, the Board will pay in addition to the interest of the unpaid bonds, interest on all such advances or expenditures in connection therewith made by the Government, at the same per annum rate specified in the bonds. All such advances, expenditures and interest thereon shall be deemed payable upon demand immediately after any such expenditure by the Government. Any such amounts due the Government by the Board shall take priority over any other payments from the Bond Fund Payments set forth in Section 13B hereof;

(d) It will take any and all such action as may be requested by the Government and it will execute such other agreements and instruments as the Government may from time to time prescribe to enable the Government to discharge its responsibilities as insurer and collection agent for the holder of the bonds insured by the Government; and

(e) If at any time it shall appear to the Government that the Board is able to call for redemption or refund the bonds by obtaining a loan for such purpose for responsible co-operative or private credit sources, at reasonable rates and terms for loans for similar purposes and periods of time,

or by other means, the Board will, upon request of the Government, redeem, refund, or apply for and accept such loan in sufficient amount to repay the Government or the holder of the bonds, or both, and will take all actions as may be required in connection with such redemption or refund.

Section 7. Execution. The revenue bonds shall be signed by the Chairman of the Board, sealed with the corporate seal of the District, and attested by the Secretary of the Board.

Section 8. Security. The revenue bonds shall be secured by a statutory mortgage lien on the Water-works System as provided by Chapter 16, Article 13A, West Virginia Code. The revenues of the Water-works System, including all additions, extensions, improvements, and replacements thereof and thereto, are pledged to the Bond Fund hereinafter established after there have been first paid from such revenues the current expenses of the District.

Section 9. Revenue Bond Form. The bonds issued and sold pursuant to this resolution shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF WEST VIRGINIA

COUNTY OF HARRISON

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

WATER-WORKS SYSTEM REVENUE BOND

SERIES A

NUMBER_____ $_____

Lost Creek-Mt. Clare Public Service District (herein sometimes referred to as the "District") in the County of Harrison, State of West Virginia, a lawfully created and existing public corporation and political subdivision of the State of West Virginia, for value received, hereby promises to pay to _____ (herein sometimes called the "Payee"), or registered assigns, the principal sum of _____, on the 1st day of January, 19_____, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America, and to pay interest on the balance of said principal sum from time to time remaining unpaid, in like coin or currency, at the rate of _____ percent (%) per annum, annually on January 1 of each year, commencing on 1st January 19____, until the principal amount hereof has been paid; provided that for so long as payment of this bond is insured by the United States of America, acting through the Farmers Home Administration, U. S. Department of Agriculture (herein called the "Government") for the benefit of the registered holder, payment of the principal and interest shall be made through the Government as collection agent for the registered holder at the Office of the County Supervisor, Farmers Home Administration, U. S. Department of Agriculture, serving Harrison County, West Virginia, or at such other place as may be designated by the Government by written notice addressed and mailed to the Board by certified mail at least 40 days prior to an interest due date.

This bond does not in any manner constitute an indebtedness of the District within the meaning of any constitutional or statutory limitation and is payable and collectible solely out of the net income derived from the operation of the District's Water-works System. Payment of this bond and the interest thereon shall be made solely from, and as security for such payment therein pledged, pursuant to a resolution adopted and approved _____, 19____, a special fund identified as the "Lost Creek-Mt. Clare Public Service District Revenue Bond and Interest Sinking Fund", into which the Board covenants to pay from the revenues derived from the operation of its Water-works System, after provision only for all necessary and reasonable expenses of the operation and maintenance of said Water-works System, sums sufficient to pay when due the principal of and the interest on this bond, and to create and maintain a reasonable and specified reserve for such purpose. For a description of said funds and the nature and extent of the security afforded thereby for the payment of the principal of and the interest on this bond, and to create and maintain a reasonable and specified reserve for such purpose, reference is made to said resolution. A statutory mortgage lien upon the Water-works System of the District is created by the West Virginia Code, Chapter 16, Article 13A in favor of the registered owner of this bond, which lien is hereby recognized as valid and binding and shall remain in effect until the payment in full of the principal of the interest on this bond. Bonds in addition to this bond, subject to designated conditions, may be issued and made payable from said net revenues of the Water-works System and having a lien thereon a parity with the lien, of said bond in accordance with the provisions of said resolution.

The District covenants and agrees with the registered holder of this bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of said resolution, including, without limiting the generality of the foregoing, its covenant against the sale or mortgage of said Water-works System or any part thereof and including

its covenant that it will fix, maintain and collect rates for services rendered by said Water-works System sufficient to produce revenues or earnings sufficient to pay the annual operation and maintenance expenses, the cost of a repair and replacement fund, and the principal of and interest on the bond and any other obligations payable from the revenues of said Water-works System, including the reserves provided by said resolution.

On and after five years from the date of said bond the District shall have the right to call the bond for retirement on any interest due date by payment of the entire principal amount of said bond plus accrued interest thereon by giving 30 days notice of the call of the bond by certified mail to the registered owner of the bond, or so long as the bond is insured by the Government by notice mailed at least 40 days prior to the date fixed for redemption to the Director, Finance Office, Farmers Home Administration, United States Department of Agriculture, 1520 Market Street, St. Louis, Missouri, 63103, or to such other address as the Government may designate.

If and for so long as payment of principal and interest of this bond is insured by the Government, each successive holder of this bond shall be conclusively presumed to have appointed and accepted the Government as his collection agent to receive, and receipt in the Government's name for, payments of interest on and principal of this bond. As between the holder and the District, for the purposes of the provisions of this bond and the authorizing resolution, such insurance by the Government shall be conclusively presumed to be and remain in effect so long as a notice of insurance endorsement, executed by the Government, appears on the back of this bond, or until a designated effective date of cancellation of such insurance specified in a cancellation endorsement executed by the Government.

This bond is exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

This bond is transferable as provided in the resolution by the registered holder hereof only upon books kept by the Bond Registrar.

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, that the amount of this bond, together with all obligations of the District, does not exceed any limits prescribed by the Constitution and statutes of the State of West Virginia, and that a sufficient portion of the net operating income of the Water-works System of the District has been pledged to and will be set aside into the Bond Fund for the prompt payment of the installments of the principal of and interest on this bond.

IN WITNESS WHEREOF, Lost Creek-Mt. Clare Public Service District has caused this bond to be signed by the Chairman of its Public Service Board and its corporate seal to be hereunto affixed and by the Secretary of said Board, all as of the _____ day of _____, 19_____.

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

By _____
Chairman of its Public Service Board

(CORPORATE SEAL)

ATTEST:

_____
Secretary of its Public Service Board

(End of Form of Bond)

NOTICE OF INSURANCE BY THE UNITED STATES OF AMERICA

Payment of interest on and principal of this bond is insured by the United States of America, acting through the Farmers Home Administration, U. S. Department of Agriculture, as evidenced by and in accordance with the terms of a contract of insurance executed by the United States on the same date as this notice of insurance. Executed by the United States of America through its undersigned duly authorized officer, this _____ day of _____, 19____.

_____
(Signature)

Title_____

FARMERS HOME ADMINISTRATION

REGISTRATION

(No writing below except by the Bond Registrar)

Date of Registration	Name of Registered Owner	Signature of Bond Registrar

Section 10. Disposition of Revenue Bonds Proceeds.

A. Construction Account. That the proceeds derived from the sale of the bonds herein authorized, any grants received from the United States of America and any other funds received for acquiring and construction of the Water-works System shall be deposited promptly upon receipt thereof in a separate account in a bank or banks which are members of the Federal Deposit Insurance Corporation, designated by the Board, and approved by the Government, which account shall be known as the "Lost Creek-Mt. Clare Public Service District Revenue Bond Construction and Acquisition Account". At the time for the deposit of the funds in the bank, the Board, the Bank, and the County Supervisor of the Farmers Home Administration at Harrison County, West Virginia, shall execute a deposit agreement on Form FHA 402-1, "Deposit Agreement"; the construction account shall be a joint account and any withdrawal of funds therefor shall be subject to the countersignature of the County Supervisor of the Farmers Home Administration pursuant to the terms of that agreement. The proceeds of the bonds in excess of $10,000.00 shall be secured by such bank in accordance with U. S. Treasury Circular No. 176 before such proceeds are deposited. The moneys in the construction account, except as herein otherwise specifically provided, shall be used and paid out solely for the purpose of acquiring and constructing the Water-works System only upon warrants or checks drawn and signed by the Chairman of said District and its Treasurer and the countersignature of the FHA County Supervisor. No such warrant for any sum for any actual construction work or purchase of construction materials pursuant to terms and provisions of construction contracts shall be issued until the Board has received engineering approval certifying that such sum is due and owing for work under such contracts, nor until the Board has adopted a resolution accepting such certificate and directing the drawing of such warrant or check. The designated approval shall be by the consulting engineer whose approval must be in the form of a written certificate stating that the payment therein approved is being made to pay for materials supplied

or work satisfactorily completed in substantial accordance with the plans and specifications for the work involved. Such certificates of approval shall be in appropriate form, shall be signed by the engineer or his duly accredited representative, and shall be filed with the Secretary of the Board prior to the time such payment or payments are authorized by resolution.

With respect to nonconstruction costs and expenses, such as purchase of land, easements, rights-of-way, legal fees, and other acquisition expenses, etc., no such warrant in payment thereof shall be issued except upon approval of the Board.

B. Disposition of Construction Account Residue. That when all work of constructing and purchasing the Water-works System shall have been completed in accordance with such plans and specifications and all amounts due therefor shall have been paid, the consulting engineer shall file with the depository bank a certificate so stating, thereupon (1) any funds representing grant funds shall be disbursed in accordance with the grant agreement between the District and the FHA, and (2) any other funds remaining in the Construction Account shall be deposited in the Reserve Fund required by Section 13C hereof.

Section 11. Fiscal Year. The fiscal year of the District shall begin on the 1st day of January in each year and shall end on the 31st day of December.

Section 12. Revenue Fund. That so long as any of the bonds herein authorized remain unpaid, either as to principal or interest, or both, the entire gross income and revenues of the Water-works System shall be set aside and deposited in an insured bank into the special fund which is hereby created and which shall be known as the "Lost Creek-Mt. Clare Public Service District Revenue Fund".

Section 13. Administration of Revenue Fund. That so long as any of the bonds hereby authorized and issued remain unpaid, either as to principal or interest, or both, the following payments shall be made from the Revenue Fund:

A. Operation and Maintenance Fund. As a first charge on the Revenue Fund, there shall be set aside each month as an operation and maintenance fund for the Water-works System such sums as the Board shall determine in accordance with an approved budget to be necessary for operation and maintenance expenses. Any surplus remaining at the end of the fiscal year and not needed for operation and maintenance purposes shall remain in the operation and maintenance fund and be used for the purposes of such fund.

B. Bond Fund. Subject to the provisions of Paragraph A of this Section 13, and as a second charge on said Revenue Fund, there shall be deposited monthly into a bank account hereby created and to be known as the "Lost Creek-Mt. Clare Public Service District Revenue Bond and Interest Sinking Fund", commencing as soon as revenues are available from the Water-works System, an amount which together with equal subsequent monthly deposits will provide a sum equal to the amount necessary to pay the next maturing installmer of principal and interest on the bonds hereby authorized.

C. Reserve Fund. Subject to the provisions of Paragraph A and B of this Section 13, and as a third charge on the said Revenue Fund, there shall be transferred monthly a sum at least equal to not less than twenty percent (20%) of the total amount deposited monthly into the Bond Fund as provided by paragraph B of this Section 13, into a separate fund hereby created to be known as the "Lost Creek-Mt. Clare Public Service District Water-works System Revenue Bond Reserve Fund", until a reserve has been accumulated in an amount equal to not less than Sixteen Thousand Five Hundred Dollars ($16,500.00) herein designated as the "Minimum Reserve", and thereafter such amount or amounts, if any, shall be deposited monthly from any moneys remaining in the Revenue Fund into the Reserve Fund necessary to maintain the Reserve Fund as a continuing reserve in an amount not less than the specified minimum reserve to meet possible deficiencies in the Bond Fund. No payment need be made into the Reserve Fund so long as the moneys therein shall equal not less than the minimum reserve. The moneys in the Reserve Fund shall be accumulated and

maintained as a continuing reserve and shall be used only to prevent deficiencies in the payment of the principal of or interest on the bond hereby authorized resulting from the failure to deposit into the Bond Fund sufficient funds to pay said principal and interest as the same shall accrue.

D. Defraying Delinquencies in Bond Fund. If, in any month, the Board shall, for any reason, find it necessary to use money from the Reserve Fund to pay any installment of principal of or interest on said bond, the money so used shall be replaced in the Reserve Fund from the first revenues thereafter received from the operation of the system not required to be otherwise applied. If, in any month, the Board shall, for any reason, fail to pay into the Bond Fund, the full amount above stipulated from the Revenue Fund, the difference between the amount paid and the amount so stipulated shall in a like manner be paid therein from the first revenues thereafter received from the operation of the system not required to be otherwise applied. The moneys in the Bond Fund shall be used solely and only for the purpose of paying the principal of and the interest on the bonds issued hereunder; provided, however, that any moneys at any time in excess of the Minimum Reserve provided in the Reserve Fund may be withdrawn therefrom and used as herein provided for the prepayment of installments on the bonds hereby authorized.

E. Repair and Replacement Fund. After satisfying the requirements of paragraphs A, B, C and D of this Section 13, from any money than remaining in the Revenue Fund, there shall be deposited into an account to be known as "Lost Creek-Mt. Clare Public Service District Water-works System Repair and Replacement Fund", not less than One Hundred Thirty Five Dollars ($135.00) monthly until such Repair and Replacement Fund equals Sixteen Thousand Two Hundred Dollars ($16,200.00). Withdrawals may be made from said Replacement and Repair Fund only for the purpose of repairs, replacements of equipment and any expenditure necessary to the efficient operation of the system. In the event funds in the Bond Fund (Section 13B hereof) and Reserve Fund (Section 13C hereof) should be reduced below the amount required to meet the current

debt service plus the said reserve of Sixteen Thousand Five Hundred Dollars ($16,500.00), the funds on deposit in the Repair and Replacement Fund may be transferred to the Bond Fund to the extent required to eliminate the deficiency in said Bond Fund.

F. Payment for Additional Obligations. Any balance remaining in the Reserve Fund, after making the payments hereinafter provided, may be used by the Board for the payment of interest on and the principal of additional bonds or other obligations hereafter authorized to be issued and payable from the revenues of the Water-works System, including reasonable reserves therefor, as the same accrue; provided that the lien of such additional bonds or other obligations on the net income and revenues of the Water-works System and the pledge thereof for the payment of such additional obligations shall be on a parity with, or subordinate to, the lien and pledge of the bond herein authorized, as hereinafter provided.

G. Places and Times of Deposits. Each of the funds and accounts hereinabove designated in Sections 12 and 13 hereof, shall be maintained and kept separate from all other funds and accounts in an insured bank. Each monthly payment shall be made into the proper fund and account not later than the fifteenth day of each month, except that when the fifteenth day of any month shall be a Sunday or a legal holiday, then such payment may be made on the next succeeding secular day.

H. Fiscal Year Budget. Prior to December 1st of each year beginning December 1st, 1967, the Board will prepare a budget for the ensuing fiscal year of the Water-works System covering prospective revenues and receipts, operation and maintenance expenses,and deposits to be made during such fiscal year in the Bond Fund (Section 13B), the Reserve Fund (Section 13C), and the Repair and Replacement Fund (Section 13E). A copy of such budget will be forwarded promptly to the State Director of the Farmers Home Administration or other official designated by the Government and a copy will be made available to any holder of the bond who shall request the same.

Section 14. Additional Bonds.

A. Approved by Government. That the District shall not incur any additional indebtedness to be paid from a pledge of the revenues of the Water-works System, without the prior written approval of the State Director of the Farmers Home Administration for the State of West Virginia, so long as any part of the bonds issued under this resolution remains unpaid.

B. Limitations upon Issuance of Parity Obligations. That nothing in this resolution contained shall be construed in such a manner as to prevent the issuance of parity obligations, but so long as the bonds hereby authorized are issued by the Government, with prior approval of the State Director of the Farmers Home Administration, by the District of additional bonds or other obligations payable from the income or any revenues derived from the operation of the Water-Works System and constituting a lien upon said revenues on a parity with, but not prior nor superior to, the lien of the bonds herein authorized, or to prevent the issuance of bonds or other obligations refunding all or a part of the bonds herein authorized, provided, however, that the Board is not, and has not been, in default as to any payment required to be made in Section 13 hereof for a period of not less than twenty-four months immediately preceding the issuance of such additional bonds or other obligations, or if the bonds herein authorized have not been issued and outstanding for a period of at least twenty-four months, for the longest period any of the bonds herein authorized have been issued and outstanding; an provided, that before any such additional parity bonds or other parity obligations are authorized or actually issued, other than refunding bonds or other refunding obligations (unless any lien on any revenues of the Water-work System of the obligations refunded is subordinate to the lien of the bond here in authorized and the lien on revenues of the Water-works System of the re-funding obligations is on a parity with the lien thereon of the bond herein authorized) the annual earnings derived from the operation of the Water-works

System for the fiscal year immediately preceding the date of the issuance of such additional parity obligations shall have been sufficient to pay the costs of operation and maintenance of the Water-works System for said fiscal year, and, in addition, sufficient to pay an amount representing one hundred fifty percent (150%) of the average annual principal and interest requirements (herein referred to as the "debt service" requirements) on the then outstanding revenue bonds and other obligations of the District payable from the revenues of the Water-works System; and provided further, that the estimated average annual earnings of said Water-works System for the life of the then outstanding revenue bonds and the proposed revenue bonds, all payable from the revenues of the Water-works System, shall have been sufficient to pay the estimated average annual costs of operation and maintenance of the Water-works System for the life of both the then outstanding and the proposed revenue bonds, and, in addition, sufficient to pay an amount representing one hundred fifty percent (150%) of the debt service requirements of the then outstanding revenue bonds combined with the debt service requirements of the proposed additional revenue bonds; provided, further, that the annual earnings derived from the operation of the Water-works System need not equal 150% of the debt service requirements of the outstanding and the proposed additional revenue bonds or other obligations in the event the Government is the purchaser or the insurer of any such additional bonds or obligations.

C. Certification and Estimation of Earnings. A written certification by a Certified Public Accountant that said obligation, when adjusted as hereinafter provided, are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the District to authorize, issue, sell and deliver said additional bonds or other obligations on a parity with the bonds herein authorized. Any necessary estimate of future earnings of the Water-works System shall be prepared by a consulting engineer.

D. Consideration of Additional Expenses. In determining whether or not additional parity bonds or other parity obligations may be issued as aforesaid, consideration shall be given to any probable increase (but not reduction) in operation and maintenance expenses that will result from the expenditure of the funds proposed to be derived from the issuance and sale of the said bonds or other obligations.

E. Junior Obligations Permitted. Nothing herein contained shall be construed so as to prevent the District from issuing bonds or other obligations payable from the revenues of the Water-works System and having a lien thereon subordinate, inferior and junior to the lien of the bonds authorized to be issued by this resolution; provided, however, that so long as the bonds authorized hereby are insured by the Government prior written approval is obtained from the State Director of the Farmers Home Administration

F. Superior Obligations Prohibited. Nothing herein contained shall be construed so as to permit the District to issue bonds or other obligations payable from the revenues of the Water-works System and having a lien thereon prior and superior to the bonds herein authorized to be issued.

Section 15. Refunding Bonds. That the provisions of Section 14 hereof are subject to the exception that if at any time after the bonds or other obligations herein or hereafter authorized, or any part thereof shall have been issued, the Board shall find it desirable to refund said bonds or other obligations, said bonds or other obligations or any part thereof, may be refunded (but only with the consent of the holder or holders thereof, unless the bonds or other obligations have matured, or are then callable for prior redemption, and have been properly called), without changing the priority of the lien for the payment of the refunding obligations on the revenues of the Water-works System, except as provided in Paragraph B of Section 14 hereof; and the refunding bonds or other obligations so issued shall enjoy complete equality of lien with the portion of said bonds or other obligations which is

not refunded, if any there be; and the holder or holders of the refunding bonds or other obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of the bonds or other obligations refunded thereby; provided, however, that if only a part of the outstanding bonds or other obligations is refunded, and if such bonds or other obligations are refunded in such manner that the interest rate thereof is increased or if any refunded obligation matures at an earlier date than the maturity date of the corresponding obligations refunded thereby, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of said obligation; and that the refunding bonds or other obligations shall either be sold for cash at not less than the par value and accrued interest, and the proceeds thereof shall be used to pay the obligations refunded, or if so permitted by law, and then only with the consent of the holder or holders of the obligations refunded, the refunding obligations shall be delivered dollar for dollar in exchange for the bonds or other obligations refunded.

Section 16. Protective Covenants. That the District hereby covenants and agrees with each and every holder of the bonds issued hereunder:

A. Use of Bond Proceeds. That the District will proceed without delay, to acquire and construct the Water-works System, as herein above provided.

B. Use Charges. That while the bond authorized herein remains outstanding and unpaid, the rates for all services rendered by the Water-works System to all consumers within or without the boundaries of the District shall be reasonable and just, taking into account and consideration the cost and value of the Water-works System and the proper and necessary allowance for the depreciation thereof and the amounts necessary for the retirement of the bonds and other securities or obligations payable from the revenues of the system, the accruing interest thereon, and reserves therefor; and there shall be charged against all purchasers of service, such rates and

amounts as shall be adequate to meet the requirements of this and the preceding sections hereof, and which shall be sufficient to produce revenues or earnings annually to pay the annual operation and maintenance expenses, the costs of all essential replacements and repair, the principal of and interest on the revenue bonds, and any other obligations payable from the revenues thereof, plus reserves therefor, all of which revenues derived from the operation of the Water-works System shall be subject to distribution in accordance with provisions of Section 13 and that no free service or facilities shall be furnished by the Water-works System to anyone.

C. Levy of Charges. That the District will, prior to the delivery of the Revenue Bonds herein authorized, fix, establish and levy the rates and charges which are required by Section 16B hereof. No reduction in the initial rate schedule for the Water-works System may be made unless:

1) The District has fully complied with all of the provisions of Sections 12 and 13 of this resolution for at least the full calendar year immediately preceding such proposed reduction of the initial rate schedule; and

2) The Reserve Fund provided in Section 13 has been built up to the required minimum reserve of Sixteen Thousand Five Hundred Dollars ($16,500.00); and the Repair and Replacement Fund provided in Section 13E has been built up to the required minimum of Sixteen Thousand Two Hundred Dollars ($16,200.00); and

3) The audit required to be made by the Certified Public Accountant by Section 16G of this resolution for the full fiscal year immediately preceding such proposed rate reduction discloses that the estimated revenues which would result from the proposed rate schedule will be sufficient to produce adequate revenues or earnings annually to pay the annual operation and maintenance expenses, the costs of all essential replacements and repairs to the Water-works System, the principal of and interest on the Revenue Bonds, and any other obligations payable annually from the revenues of the Water-works

System, and provide payments for the reserve fund required by this resolution; and

4) The prior written approval of the State Director of the Farmers Home Administration has been obtained, so long as the revenue bonds issued hereunder are issued by the Government.

D. Efficient Operation. That the District will operate the Water-works System, so long as the bonds herein authorized are outstanding, will maintain said Water-works System in efficient operating condition and will make such improvements, extensions, enlargements, repairs and betterments thereto as may be necessary or advisable to insure its economical and efficient operation at all times.

E. Records. That so long as the Bonds remain outstanding, proper books of record and account will be kept by the District, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the system. Such books shall include (but not necessarily be limited to) monthly records showing:

1) The number of customers

2) The total revenues received from charges to customers

3) A detailed statement of the expenses of the system

F. Right to Inspect. That any holder of the bonds, or any duly authorized agent or agents of such holder, or representative of Farmers Home Administration, shall have the right at all reasonable times to inspect all records, accounts and data relating thereto, and to inspect the system and all properties comprising the system.

G. Audits. That the District further agrees that it will within sixty days following the close of each fiscal year, cause an audit of such books and accounts to be made by a Certified Public Accountant, showing the receipts and disbursements for the account of the Water-works System, and that such audit will be available for inspection by any holder of

the bonds. Each audit, in addition to whatever matters may be thought reasonable, shall include in detail the financial condition and records of the District and the Water-works System, including the rates, number and type of connections and the status of the several funds herein before created, and a list of the insurance policies in force at the end of the fiscal year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer and the expiration date of the policy. All expenses incurred in the making of the audits and reports required by this section shall be regarded and paid as a maintenance and operation expense. The District agrees to furnish forthwith a copy of each of such audit and report to the State Director of the Farmers Home Administration and to any bond holder upon request after each such audit and report has been prepared, and that any such holder shall have the right to discuss with the accountant or person taking the audit and report the contents thereof and to ask for such additional information as he may reasonably require.

H. Billing Procedure. That all bills for water service or facilities furnished by or through the Water-works System shall be rendered to customers monthly and shall be due on the date rendered. Ten percent (10%) shall be added to the net amount of each bill not paid in full within ten (10) days after the date of the bill; and in the event said bills are not paid within sixty (60) days after the date rendered, water and water service shall be discontinued, and the rates and charges due shall be collected in a lawful manner. The District shall have a lien on each lot or parcel of land served by said Water-works System for charges imposed for all services rendered by said Water-works System. Notices of such liens shall be filed and liens shall be enforced as provided by the laws of West Virginia.

I. Charges and Liens, Revenues and Water-works. That from the revenues of the Water-works System, the District will pay all taxes and assessments or other municipal or governmental charges, if any, lawfully levied, assessed upon or in respect to said Water-works System or any

part thereof, when the same shall become due; and it will duly observe and comply with all valid requirements of any municipal or governmental authority relative to any part of the Water-works System; and the District will not create or suffer to be created any lien or charge upon the Water-works System or upon the revenues therefrom except as permitted by this resolution, and it will make adequate provision to satisfy and discharge within sixty days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects, which, if unpaid, might by law become a lien upon the Water-works System or upon the revenues therefrom; provided, however, that nothing herein shall require the District to pay or cause to be discharged, or make provision for any such tax assessment, lien or charge before the time when payment thereof shall be due or so long as the validity thereof shall be contested in good faith by appropriate legal proceedings.

J. Insurance. That the District, in its operation of the Water-works System, will carry fire and extended coverage insurance, workmen's compensation insurance, if required by State Law, and public liability insurance and other types of insurance in such amounts and to such extent as is normally carried by private corporations operating public utilities of the same type. The cost of such insurance shall be considered one of the operation costs of the system. In the event of property loss or damage, insurance proceeds shall be used first for the purpose of restoring or replacing the property lost or damage, any remainder shall be treated as net income, and shall be subject to distribution in the manner provided hereinabove in Section 13 hereof, for net income and revenues derived from the operation of the system.

K. Competing System. That as long as the bonds hereby authorized are outstanding, the District shall not permit (except as it may legally be required to do so) any person, association, form or corporation to distribute and sell domestic water, water service or facilities, to any consumer, public or private, within the area served by the Water-works System.

L. Alienating System. That the District will not sell, lease, mortgage, pledge, or otherwise encumber, or in any manner dispose of, or otherwise alienate, the Water-works System, or any part thereof, including any and all extensions and additions that may be made thereto, until the bond herein authorized to be issued shall have been paid in full, both principal and interest, except that so long as the bond is insured by the Government, the District, with prior written approval of the State Director of the Farmers Home Administration, may sell any portion of said property which shall have been replaced by other property of at least equal value, or which shall cease to be necessary for the efficient operation of the system, but in no manner nor to such extent as might prejudice the security for the payment of the bonds herein authorized, provided, however, that in the event of any sale as aforesaid, the proceeds of such sale shall be distributed as net income of the system in accordance with the provisions of Section 13 hereof.

M. Surety Bonds. That each official or other person having custody of any funds derived from operation of the Water-works System or responsible for their handling, shall be bonded for the full faithful performance of his duties in an amount at least equal to the total funds in his custody at any one time. The cost of each such bond shall be considered one of the operating costs of the Water-works System. The Surety Company shall be approved by the Farmers Home Administration, and the United States of America shall be named as co-obligee.

N. Competent Management. That the District shall employ experienced and competent management personnel for the Water-works System. In the event of default on the part of the District in paying principal or interest on said bonds promptly as each falls due, or in the keeping of any covenants herein contained, and if such default shall continue for a period of sixty days, or if the net revenues of the system in any fiscal year should fail to equal at least the amount of the principal of and interest

on the revenue bond and other obligations (including all reserves therefor specified in this resolution) payable from said net revenues in that fiscal year, the District shall retain a firm of competent management engineers skilled in the operation of water systems to assist the management of the Water-works System so long as such default continues or the net revenues are less than the amount hereinabove designated.

O. Performing Duties. That the District will faithfully and punctually perform all duties with respect to the Water-works System required by the Constitution and laws of the State of West Virginia and the resolution of the District, including but not limited to the making and collecting of reasonable and sufficient rates and charges for services rendered or furnished by the system as hereinbefore provided, and the proper segregation of the revenues of the Water-works System and their application to the respective funds.

P. Other Liens. That other than as provided by this resolution, there are no liens or encumbrances of any nature whatsoever, on or against the Water-works System or the revenues derived, or to be derived from the operation thereof.

Q. District's Existence. That the District will maintain its corporate identity and existence so long as any of the bonds herein authorized remain outstanding.

R. Completion Bonds. That in order to insure the completion of the Water-works System, and to protect the holder of the bond, the District will require that the contractor, to whom is given any contract for construction appertaining to the Water-works System, furnish to the District a completion bond or bonds satisfactory to the District and the Government, and that any sum or sums derived from such completion bond or bonds shall be used within six months after such receipt for the completion of said construction, and if not so used within such period, shall be placed in and be subject to the provisions of the Revenue Fund provided for herein.

Section 17. Events of Default. That each of the following events is hereby defined as an "event of default":

A. Nonpayment of Principal and or Interest. If payment of any bond when due or interest of the bonds herein authorized to be issued shall not be made when the same shall become due and payable, or within 30 days thereafter.

B.. Incapable to Perform. If the District shall for any reason be rendered incapable of fulfilling its obligations hereunder.

C. Default of any Provision. If the District shall make default in the due and punctual performance of its covenants or conditions, agreements and provision contained in the bonds and in this resolution on its part to be performed, and if such default and notice requiring the same to be remedied shall have been given to the District by the holder of the bonds.

Section 18. Remedies for Defaults. That upon the happening and continuance of any of the events or default as provided in Section 17 of this resolution, then, and in every case, the Government as insurer of the bonds may proceed against the District, its governing body, and its agents, officers and employees to protect and enforce the rights of the holder of the bonds under this resolution by mandumus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any power, legal or equitable remedy as may be deemed most effectual to protect and enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any such right or to require the governing body of the District to act as if it were the trustee of an expressed trust, or any combination of such remedies. Any receiver appointed in any proceedings to protect said

rights the consent to any such appointment being hereby expressly granted, may enter and take possession of the Water-works System, operate and maintain the same, prescribe rates, fees or charges and collect, receive and apply all revenues arising after the appointment of such receiver in the same manner as the District itself might do. The failure so to proceed shall not relieve the District or any of its officers, agents or employees of any liability for failure to perform any duty. Each such right or privilege of the bond holder (or trustee thereof) is an addition and cumulative to any other right or privilege, and the exercise of any such right or privilege shall not be deemed a waiver of any other right or privilege thereof.

Section 19. Compensation of Board Members. The District hereby covenants and agrees that the total annual salaries to be paid to the members of its Board shall not exceed the sum of $500.00 in any one year, and shall be allocated only by resolution enacted by the Board. The District further covenants and agrees that the aggregate salaries paid to all employees shall not exceed the amount paid for similar work to employees of comparable water systems.

Section 20. Amendment of Resolution. That this resolution may be amended or supplemented by resolution adopted by the Board in accordance with the laws of the State of West Virginia, but no such amendment or supplement by way of resolution or otherwise shall be adopted so long as the bond is insured by the Government without the prior written consent of the State Director of the Farmers Home Administration.

Section 21. "Equal Opportunity for Employment". In the letting of construction contracts and otherwise as may be applicable, the District covenants that it will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and the rules, regulations and relevant orders of the Secretary of Labor of the United States of America, and for that purpose the Chairman and Secretary are hereby authorized and directed to require compliance

therewith, and to that end to execute such documents as may be required by representatives of the Government.

Section 22. Severability Clause. That if any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 23. Repealer Clause. All resolutions and orders or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby repealed.

Section 24. Resolution a Contract Subject to Enabling Acts and Regulations. The provisions of this resolution are subject to the West Virginia Code, Chapter 16, Article 13A, and the applicable regulations of the Farmers Home Administration and shall constitute a contract between the District and the Government so long as the bonds are insured by the Government.

Section 25. Effective Date. This resolution shall be effective immediately upon its adoption.

Passed, ratified and adopted, in meeting duly assembled, this 29th day of September, 19 66.

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

By Rezin B. Hudkins
Rezin B. Hudkins
Chairman of its Public Service Board

CERTIFICATION

I, Alfred H. Norman, Jr., Secretary of the Public Service Board of the Lost Creek-Mt. Clare Public Service District, Harrison County, West Virginia, do hereby certify that at a meeting of said Board duly called and held on the 29th day of September, 19 66, the foregoing resolution was approved and adopted by the unanimous vote of all of the members of said Board.

Dated this 29th day of September, 19 66.

Alfred H. Norman Jr.
Secretary of the Board

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

Water Revenue Bond, Series 1974

BOND RESOLUTION

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LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ISSUANCE OF $305,000 WATER REVENUE BOND, SERIES 1974, OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT ON A PARITY WITH THE 1966 BONDS TO FINANCE CONSTRUCTION OF IMPROVEMENTS FOR THE EXISTING WATERWORKS; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BOND; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITIES OF THE HOLDER OF THE BOND AND FOR A STATUTORY MORTGAGE LIEN UPON THE WATERWORKS IN FAVOR OF THE HOLDER OF THE BOND; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT

BE IT RESOLVED AND ORDERED BY THE PUBLIC SERVICE BOARD OF LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for This Resolution. This Resolution is adopted pursuant to the provisions of Article 13A, Chapter 16 of the West Virginia Code and other applicable provisions of law. Lost Creek-Mt. Clare Public Service District (herein called the "District") is a public service district created pursuant to said Article 13A by the County Court of Harrison County.

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

(A) The District now owns and operates a public waterworks system, which system should be improved and extended to serve additional users. The District purchases water under contract with the City of Clarksburg.

(B) It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the District, and, accordingly, it is hereby ordered, that there be constructed and acquired improvements and extensions for the existing water-

works system of the District, consisting of transmission and distribution lines, pumping stations and storage tanks, with all necessary appurtenant facilities (herein called the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Secretary of the Public Service Board of the District (herein called the "Board").

(C) It is necessary for the District to issue its revenue bond in the principal amount of $305,000 to finance the costs of acquisition and construction of the Project in the manner hereinafter provided.

(D) The estimated maximum cost of the construction of the Project is $305,000, all which will be obtained from the proceeds of sale of the Series 1974 Bond herein authorized.

(E) The cost of such construction shall be deemed to include, without being limited to, the construction or acquisition of the Project, the acquisition of any necessary property, real or personal, or interest therein; interest on the Series 1974 Bond prior to, during and for six months after completion of such construction to the extent that revenues of the System are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the construction of the Project and the financing authorized by this resolution.

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

(G) There are outstanding the Water-Works System Revenue Bonds, Series A, of the District, dated November 7, 1966 (herein called the "1966 Bonds"), which will rank on a parity with the Series 1974 Bond as to lien and source of and security for payment and in all other respects pursuant to the written consent of the Government, heretofore received, the Government being the holder or issuer of all the 1966 Bonds.

(H) The District 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 Series 1974 Bond, or will have so complied prior to issuance of the Series 1974 Bond including, among other things, the consent and approval, pursuant to the Act, of the issuance of the Series 1974 Bond by the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

Section 1.03. Resolutions to Constitute Contract. In consideration of the acceptance of the Series 1974 Bond by the Government, this Resolution shall be deemed to be and shall constitute a contract between the District and such Bondholder, and the covenants and agreements set forth in this Resolution to be performed by the District shall be for the benefit, protection and security of the legal holders of all the Bonds.

Section 1.04. Definitions. The following terms shall have the following meanings in this Resolution unless the text otherwise expressly requires:

"Act" means Article 13A, Chapter 16 of the West Virginia Code.

"Board" means the Public Service Board of the District, the governing body of the District under the Act.

"Bonds" means the $305,000 Water Revenue Bond, Series 1974, originally authorized to be issued pursuant to this Resolution and shall also be deemed to include, where appropriate, any additional parity Bonds issued pursuant to this Resolution.

"Series 1974 Bond" means the Bond hereby authorized to be issued.

"1966 Bonds" means the Water-Works System Revenue Bonds, Series A, defined in Section 1.02(G).

"Chairman" means the Chairman of the Board.

"Consulting Engineer" means Milam Engineering, Consulting Engineers, Dunbar, West Virginia, or any qualified engineer or firm of

engineers which shall at any time hereafter be retained by the District as Consulting Engineer for the System.

"District" means Lost Creek-Mt. Clare Public Service District, of Harrison County, West Virginia, and, where appropriate, also means the Public Service Board thereof.

"Facilities" or "waterworks facilities" means all the facilities of the System and also any facilities which may hereafter be added to the System by any additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

"Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.

"Government" means United States Department of Agriculture, Farmers Home Administration and any successor thereof.

"Herein" means in this Resolution.

"Holder of the Bond" or "Bondholder" or any similar term means any person who shall be the bearer or owner of any outstanding Bond or 1966 Bond registered to bearer or not registered, or the registered owner of any outstanding Bond or 1966 Bond which shall at the time be registered other than to the bearer.

"Net Revenues" means the balance of the gross revenues, as defined below, remaining after deduction only of operating expenses, as defined below.

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the District relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are

normally and regularly included under recognized accounting practices, and retention of a sum not to exceed one-sixth of the budgeted operating expenses stated above for the current year as working capital, and language herein requiring payment of operating expenses means also retention of not to exceed such sum as working capital.

"Original Purchaser" means the purchaser, directly from the District, of the Series 1974 Bond or of any part of such series.

"Project" shall have the meaning stated in Section 1.02(B) above.

"Revenues" or "gross revenues" means all rates, rents, fees, charges or other income received by the District, or accrued to the District, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"1966 Resolution" means the resolution adopted by the Board September 29, 1966, providing for the issuance of the 1966 Bonds.

"Secretary" means the Secretary of the Board.

"System" means the complete waterworks system of the District consisting of the waterworks existing on the date of adoption hereof and of the Project, including all water facilities owned by the District and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks; and shall also include any and all additions, extensions, improvements, properties or other facilities at any time acquired or constructed for the System after completion of the Project.

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

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF SERIES 1974 BOND

Section 2.01. Authorization of Series 1974 Bond. Subject and pursuant to the provisions of this Resolution, the Bond of the District, to be known as "Water Revenue Bond, Series 1974", is hereby authorized to be issued in the aggregate principal amount of not exceeding Three Hundred Five Thousand Dollars ($305,000) for the purpose of financing the cost of the construction and acquisition of the Project.

Section 2.02. Description of Series 1974 Bond. The Series 1974 Bond shall be issued in single form, No. 1, and shall be dated on the date of delivery. The Series 1974 Bond shall bear interest from date, payable monthly at the rate of five per centum (5%) per annum, and shall be sold for the par value thereof.

The Series 1974 Bond shall be subject to prepayment of scheduled installments, or any portion thereof, at the option of the District, and shall be payable as provided in the bond form hereinafter set forth.

Section 2.03. Execution of Series 1974 Bond. The Series 1974 Bond shall be executed in the name of the District by the Chairman and its corporate seal shall be affixed thereto and attested by the Secretary. The Series 1974 Bond may be signed and sealed on behalf of the District by such person as at the actual time of the execution of such Series 1974 Bond shall hold the proper office on the Board, although at the date of such Series 1974 Bond such person may not have held such office or may not have been so authorized.

Section 2.04. Bond Mutilated, Destroyed, Stolen or Lost. In case the Series 1974 Bond shall become mutilated or be destroyed, stolen or lost, the District may in its discretion issue and deliver a new Series 1974 Bond of like tenor as the Series 1974 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such

mutilated Series 1974 Bond or in lieu of and substitution for the Series 1974 Bond destroyed, stolen or lost, and upon the holder's furnishing the District proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the District may require; provided, however, that no indemnity shall be required of the Government except as to lost or destroyed unregistered coupon Bonds, if any. The Series 1974 Bond so surrendered shall be canceled and held for the account of the District. If the Series 1974 Bond shall have matured or be about to mature, instead of issuing a substitute Series 1974 Bond, the District may pay the same, upon being indemnified as aforesaid, and, if such Series 1974 Bond be destroyed, stolen or lost, without surrender thereof.

Section 2.05. Bond Secured by Pledge of Revenues. The payment of the debt service of the Series 1974 Bond shall be secured forthwith by a first lien on the net revenues derived from the System in addition to the statutory mortgage lien on the System hereinafter provided for. The net revenues derived from the System in an amount sufficient to pay the principal of and interest on the Series 1974 Bond, and to make the payments of the principal and interest installments and otherwise as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Series 1974 Bond as the same become due, on a parity with the 1966 Bonds.

Section 2.06. Form of Series 1974 Bond. Subject to the provisions of this Resolution, the text of the Series 1974 Bond and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted by this Resolution or any subsequent resolution adopted prior to the issuance thereof:

(Form of Bond)

WATER REVENUE BOND, SERIES 1974

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT

$305,000

Date: _____

No. 1

FOR VALUE RECEIVED, LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (herein called the "Government"), at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Three Hundred Five Thousand Dollars ($305,000), plus interest on the unpaid principal balance at the rate of five per cent (5%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Installments of interest only on the first day of each month for the first twelve months after the date hereof and $1483, covering principal and interest, thereafter on the first day of each month, except that the final installment shall be paid at the end of forty (40) years from the date of this Bond, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the

Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of additions, extensions and improvements to the waterworks of the Borrower, is payable solely from the revenues to be derived from the operation of such waterworks after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the waterworks. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Article 13A of Chapter 16 of the West Virginia Code (herein called the "Act").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is on a parity, as to lien and source of and security for payment and in all other respects, with the Water-Works System Revenue Bonds, Series A, of the Borrower dated November 7, 1966, originally issued in the aggregate principal amount of $330,000.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

LOST CREEK-MT. CLARE PUBLIC SERVICE DISTRICT
(Name of Borrower)

[CORPORATE SEAL]

(Signature of Executive Official)

ATTEST:

Chairman, Public Service Board
(Title of Executive Official)

(Signature of Attesting Official)

(Post Office Box No. or Street Address)

Secretary, Public Service Board
(Title of Attesting Official)

Mt. Clare, West Virginia 26408
(City, State and Zip Code)

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(6) $	
(2) $		(7) $	
(3) $		(8) $	
(4) $		(9) $	
(5) $		(10) $	

TOTAL _____

Pay to the Order of _____

_____

UNITED STATES OF AMERICA
FARMERS HOME ADMINISTRATION

By _____

_____
(Title)

ARTICLE III

SERIES 1974 BOND PROCEEDS; REVENUES AND APPLICATION THEREOF

Section 3.01. Series 1974 Bond Proceeds; Project Construction Account. All moneys received from the sale of the Series 1974 Bond shall be deposited on receipt by the District in , West Virginia, a member of Federal Deposit Insurance Corporation (herein called "FDIC"), in a special account heretofore created and designated as "Lost Creek-Mt. Clare Public Service District Construction Account" (herein called the "Project Construction Account"). The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the District solely for the purposes provided in this Resolution.

Until completion of construction of the Project, the District will transfer from the Project Construction Account and deposit in the Bond Fund, not later than fifteen days prior to the next interest payment date, such sums as shall be from time to time required to pay the interest becoming due on the Series 1974 Bond on such interest payment date if moneys in the Bond Fund are insufficient for such purpose.

If the District shall determine at any time that all funds on deposit in the Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the District may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, which shall mature not later than eighteen months after the date of such investment. All such investments and the income therefrom shall be carried to the credit of the Project Construction Account.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall first be used to prepay installments of the Series 1974 Bond or a portion thereof and any residue shall be deposited in the Bond Fund.

Section 3.02. Covenants of the District as to Revenues and Funds. So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Reserve Account hereinafter established, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Series 1974 Bond and any additional parity Bonds remaining unpaid, together with interest accrued and to accrue thereon, the District further covenants with the holders of the Bonds as follows:

(A) Revenue Fund. The entire gross revenues derived from the operation of the System, and all parts thereof, and all tap fees received, shall be deposited as collected by the District in a special fund in a bank or trust company in the State of West Virginia which is a member of FDIC, which Fund, known as the "Lost Creek-Mt. Clare Public Service District Revenue Fund" (herein called the "Revenue Fund"), established by the 1966 Resolution, is hereby continued with the bank named in Section 3.01 above. 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 District and used only for the purposes and in the manner provided in this Resolution.

(B) Disposition of Revenues. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The District shall first each month set aside in the Operation and Maintenance Fund, established by the 1966 Resolution and now with said Bank, such sum as the Board shall determine, in accordance with its budget, to be necessary for operating expenses.

(2) The District shall next, by the fifteenth day of each month, transfer from the Revenue Fund and pay to the office and place designated in the Bond (herein called the "Bond Fund") the amount required to pay the interest on the Series 1974 Bond and to amortize the principal of the Series 1974 Bond over the life of the Bond issue, in addition to payments into the Bond Fund established by the 1966 Resolution for the 1966 Bonds.

(3) The District shall next, by the fifteenth day of each month, transfer from the Revenue Fund and deposit with the said Bank in the Reserve Fund established by the 1966 Resolution and now with said Bank, not less than 20% of the amount paid each month into the Bond Fund for the Series 1974 Bond until the amount in the Reserve Fund equals 5% of the Series 1974 Bond, which 5% is the sum of $28,550. After such maximum amount has been accumulated in the Reserve Fund, the District shall monthly deposit in the Reserve Fund such part of the moneys remaining in the Revenue Fund, after such provision for payment of maturing principal of and interest on the Series 1974 Bond and the 1966 Bonds and for payments of operating expenses of the System, as shall be required to maintain such maximum amount in the Reserve Fund. Moneys in the Reserve Fund shall be used solely to make up, ratably, in the ratio of the original issue amounts, any deficiency for monthly payments of the principal of and interest on the 1966 Bonds and the Series 1974 Bond as the same shall become due or for prepayment of installments or for mandatory redemption of Bonds of all series as hereinafter provided, and for no other purpose.

(4) The District shall next, by the fifteenth day of each month, transfer from the Revenue Fund and deposit in the Repair and Replacement Fund established by the 1966 Resolution and now with said Bank, the moneys remaining in the Revenue Fund and not permitted to be retained therein, until there has been accumulated in the Repair and Replacement Fund the aggregate sum of $24,180 and thereafter such sums as shall be required to

maintain such amount therein. Moneys in the Repair and Replacement Fund shall be used, ratably, first to make up any deficiencies for monthly payments of principal of and interest on the 1966 Bonds and the Series 1974 Bond as the same become due, and next to restore to the Reserve Fund any sum or sums transferred therefrom. Thereafter, and provided that payments into the Reserve Fund are current and in accordance with the foregoing provisions, moneys in the Repair and Replacement Fund may be withdrawn by the District and used for repairs, replacements of equipment and improvements of the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not permitted to be retained therein may be used to prepay installments of the Series 1974 Bond outstanding, or for any lawful purpose.

Whenever the moneys in the Reserve Fund shall be sufficient to prepay the unpaid principal of the 1966 Bonds and the Series 1974 Bond outstanding, it shall be the mandatory duty of the District, anything to the contrary in this Resolution notwithstanding, to direct the said Bank to pay the unpaid principal amount of the 1966 Bonds and the Series 1974 Bond at the earliest practical date and in accordance with applicable provisions hereof, any such purchase to be at a price not exceeding the then market price of the 1966 Bonds and the 1974 Bond, but in no event exceeding the then redemption price, including interest accrued and to accrue to the date of prepayment.

The aforesaid Bank (and any successor appointed by the District) is hereby designated as the Fiscal Agent for the administration of the Reserve Fund as herein provided, and all amounts required therefor will be deposited by the District upon transfers of funds from the Revenue Fund at the times provided herein, together with written advice stating the amount remitted for deposit into each such Fund.

All the funds provided for in this Section shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used the Bondholder shall have a lien thereon for further securing payment of the 1966 Bonds and the Series 1974 Bond and the interest thereon. The moneys in excess of the sum insured by FDIC in any of such funds shall at all times be secured, to the full extent thereof in excess of such insured sum, in a manner lawful for securing deposits of state and municipal funds under the laws of the State of West Virginia.

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

The Fiscal Agent shall keep the moneys in the Reserve Fund and the Replacement Fund invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding two years. Earnings upon moneys in the Reserve Fund, so long as the maximum amount required to be accumulated therein is on deposit and maintained therein, shall be paid annually into the Revenue Fund by the Fiscal Agent.

(C) Change of Fiscal Agent. The District may designate another bank insured by FDIC as Fiscal Agent if the aforesaid Bank should cease for any reason to serve or if the Board determines by resolution that said Bank or its successor should no longer serve as Fiscal Agent. Upon any such change, the Board will cause notice of the change to be sent by registered or certified mail to the Government.

(D) User Contracts. The District shall, prior to delivery of the Series 1974 Bond, obtain user agreements from not less than 108 new users in the area to be served by the Project, and shall collect and deposit in the Project Construction Account not less than $2,160, based on a tap fee of $20.

ARTICLE IV

GENERAL COVENANTS

Section 4.01. General Statement. So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Bond Fund and the Reserve Fund therein a sum sufficient to pay when due, or redeem or purchase prior to maturity, the entire principal of the Series 1974 remaining unpaid, together with interest accrued and to accrue thereon and any applicable redemption premiums, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the District and the Bondholders.

Section 4.02. Rates. The District will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide revenues in each fiscal year sufficient to produce net revenues equal to not less than 110% of the average annual debt service on the Series 1974 Bond outstanding and to make the payments required herein into the Bond Fund, the Reserve Fund and the Replacement Fund and all the necessary expenses of operating and maintaining the System during such fiscal year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System may be sold, mortgaged, leased, or otherwise disposed of only with written consent of the Government, and such consent will specify the disposition of any such sale or transfer.

Section 4.04. Covenant Against Encumbrances. The District shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to or equally as to lien on and source of and security

for payment from such revenues with the Series 1974 Bond without express written consent of the Covernment.

Section 4.05. Insurance and Bonds. The District hereby covenants and agrees that so long as any of the Series 1974 Bond remains outstanding, it will, as an expense of operation and maintenance of the System, procure, carry and maintain insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured before issuance of the Series 1975 Bond, on all insurable portions of the System in an amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the District will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The District will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the District during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than $100,000 for one person and $300,000 for more than one person injured or killed in one accident to protect the District from claims for bodily injury and/or death, and not less than $100,000 from claims for damage to property of others which may arise from the operation of the System, such insurance to be in effect prior to issuance of the Series 1974 Bond.

(c) Vehicular Public Liability Insurance, in the event the District owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the District is operated for the benefit of the District, with limits of not less than $100,000 for one person and $300,000 for more than one person injured or killed in [illegible] accident to protect the District from claims for bodily injury and/o[illegible]ath, and not less than $100,000 from claims for damage to property of others

which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle.

(d) Workmen's Compensation Coverage for all Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each contractor or subcontractor, and such payment bonds will be filed with the Clerk of the County Court of said County prior to commencement of construction of the Project in compliance with West Virginia Cide, Chapter 38, Article 2, Section 39.

(e) Fidelity Bonds will be provided as to every member of the Board and as to every officer and employee thereof having custody of the Revenue Fund or of any revenues or other funds of the District in an amount at least equal to the total funds in the custody of any such person at any one time.

(f) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Government holds any of the Bonds, the District will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the District and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Government may specify, with insurance carriers or bonding companies acceptable to the Government.

Section 4.06. Statutory Mortgage. For the further protection of the holder of Series 1974 Bond, 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.

Section 4.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of the principal of any of the Series

1974 Bond either at the date therein specified for payment or by proceedings for redemption or otherwise;

(B) Failure to make payment of any installment of interest due on any of the Series 1974 Bond on the date specified for the payment of such interest;

(C) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the District in the Series 1974 Bond or in this Resolution, or violation of or failure to observe any provision of any pertinent law, provided any such failure or violation, excluding those covered in (A) and (B) above in this Section, shall continue for a period of thirty days after written notice shall have been given to the District by the holder of the Series 1975 Bond, specifying such failure or violation and requiring the same to be remedied.

Section 4.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, any Bondholder may proceed to protect and enforce the rights of the Bondholders by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by such Bondholder, such court may, upon proof of such default, appoint a receiver for the affairs of the District and the System. The receiver so appointed shall administer the System on behalf of the District, shall exercise all the rights and powers of the District with respect to its System and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 4.09. Fiscal Year; Budget. While the Series 1974 Bond is outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a fiscal year basis commencing

on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than forty-five days prior to the beginning of each fiscal year, the District agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such fiscal year unless unanimously authorized and directed by the Board. Copies of each Annual Budget shall be mailed to the Government, to the original purchaser of the Bonds and to those Bondholders who shall have filed their names and addresses with the Secretary of the Board for such purpose.

If for any reason the District shall not have adopted the Annual Budget before the first day of any fiscal year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than ten per centum; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the District. Each such Budget of Current Expenses shall be mailed immediately as in the case of the Annual Budget.

Section 4.10. Compensation of Board Members. The District hereby covenants and agrees that no compensation for policy direction shall be paid to the members of its Board in excess of the amount permitted by the Act. Payment of any compensation to any member of the Board for policy direction shall not be made if such payment would cause the Net Operating Income to fall below the amount required to meet all payments provided for herein, nor when there is default in the performance of or compliance with any covenant or provision of this Resolution.

Section 4.11. Covenant to Proceed. The District hereby covenants to proceed as promptly as possible with the construction of the Project in

accordance with the plans and specifications prepared by the Consulting Engineer and on file with the Secretary of the Board on the date of adoption of this Resolution.

Section 4.12. Books and Records. The District will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the District, in which complete and correct entries shall be made of all transactions relating to the System, and any holder of the Series 1974 Bond or the agent or representative thereof shall have the right at all reasonable times to inspect the System and all records, accounts and data of the District relating thereto.

The District shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants, shall mail a copy of such audit report to the Government and the original purchaser of the Series 1974 Bond, and shall make available the report of said accountants at all reasonable times to the holder of the Series 1974 Bond, or any customer receiving services from the System, or anyone acting for and in behalf of such Bondholder or customer.

Section 4.13. Maintenance of System. The District covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as any of the Series 1974 Bond is outstanding.

Section 4.14. Concerning Arbitrage. It is not reasonably expected that the proceeds of sale of the Series 1974 Bond will be invested in such a way as to violate the operating rules in the regulations of the Internal Revenue Service or of the Treasury Department of the United States of America in connection with the arbitrage provisions of Section 103(d) of the Internal Revenue Code of 1954, as amended. The Fiscal Agent is hereby expressly instructed not to violate such rules in investing such proceeds.

ARTICLE V

RATES, ETC.

Section 5.01. Initial Schedule of Rates and Charges; Rules.

A. The initial schedule of rates and charges for the services and facilities of the System, now in effect for the existing waterworks, shall be as follows:

AVAILABILITY OF SERVICE

Available for all domestic, commercial and industrial consumers within the District's service area.

RATES FOR WATER USED PER MONTH

First	400 cubic feet	$1.40 per 100 cubic feet
Next	600 cubic feet	1.10 per 100 cubic feet
All over	1,000 cubic feet	.60 per 100 cubic feet

MINIMUM CHARGE

No bill shall be rendered for less than the following amounts, according to the size of meter installed:

5/8" x 3/4" Meter	$ 5.60 per month
3/4" Meter	8.05 per month
1" Meter	14.80 per month
1 1/4" Meter	22.40 per month
1 1/2" Meter	32.25 per month
2" Meter	57.35 per month
3" Meter	129.00 per month
4" Meter	229.35 per month

TAP FEES

Tap fee before completion of the Project shall be $20.

After completion of the Project, the tap fee shall be $100, or actual cost, including materials and labor, whichever is greater.

DELAYED PAYMENT PENALTY

The above rates are net. On all accounts not paid in full within ten days after date of billing, a penalty of ten per cent will be added to the net amount of the bill.

If any bill is not paid within thirty days of the date thereof, the bill will be considered delinquent and subject to disconnection. However, water service shall not be disconnected to any customer for non-payment of the bill without first having diligently tried to induce the customer to pay the same and until after at least twenty-four hours'

written notice to the customer. Service shall not be restored until all amounts in arrears, including accrued penalties, plus a reconnection fee of $ 5 have been paid.

RECONNECTION CHARGE

The reconnection charge shall be $ 5 .

MULTIPLE OCCUPANCY

Each family or business unit of apartment buildings and other multiple occupancy buildings shall be required to pay not less than the minimum monthly charge herein established for 5/8 inch meter. Motels and hotels shall pay on the basis of size of meter installed.

House trailer (mobile and immobile types) courts and parks shall have one or more master meters of adequate size and shall pay $ 5.60 multiplied by the number of units at the site on the monthly billing date or the minimum charge for the master meter or meters installed, whichever is greater.

House trailers located on sites other than a park or court shall be billed in the same manner as any other family or business unit.

B. There shall not be any discrimination or differential in rates between customers in similar circumstances.

C. All delinquent fees, rates and charges for services or facilities of the System shall be liens on the premises served of equal degree, rank and priority with the lien on such premises of State, county, school and municipal taxes, as provided in the Act. When such fees, rates and charges have been delinquent for thirty days, the District shall have power forthwith to foreclose the lien on the premises served in the same manner provided by the laws of the State of West Virginia for the foreclosure of mortgages on real property.

D. The District will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the District or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable

to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other revenues of the System.

E. The District may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

F. No allowance or adjustment in any bill for use of the service and facilities of the System shall be made for any leakage occurring on the customer's side of any water meter.

G. The District shall not be liable to any customer for any damage resulting from bursting or breakage of any line, main, pipe, valve, equipment or part or from discontinuance of the operation of any part of the System or from failure of any part thereof for any cause whatsoever.

H. In case of emergency, the District shall have the right to restrict the use of any part of the System in any reasonable manner for the protection of the System and the inhabitants of the District.

I. The fees, rates and charges above provided will be increased whenever such increase is necessary in order to comply fully with all provisions of this resolution and the District shall always be obligated to and shall fix, establish and collect fees, rates and charges for the services and facilities of the System which shall at all times be sufficient to provide net revenues to meet its obligations hereunder, but never less than 110% of the average annual debt service on all Bonds outstanding.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Filing Under Uniform Commercial Code. Contemporaneously with the delivery of the Bond, the District shall execute Financing Statements meeting the requirements of the Uniform Commercial Code of West Virginia and promptly thereafter shall file such a Financing Statement in the offices of the Secretary of State of the State of West Virginia and of the Clerk of the County Court of said County.

Section 6.02. Delivery of Bond No. 1. The Chairman, Secretary and Treasurer of the Board are hereby authorized and directed to cause Bond No. 1, representing all the Series 1974 Bond issue, hereby awarded to the Government pursuant to agreement, to be delivered to the Government as soon as the Government will accept such delivery and pay for Bond No. 1.

Section 6.03. Severability of Invalid Provision. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of all the other provisions of this Resolution or the Bonds or coupons appertaining thereto.

Section 6.04. Conflicting Provisions Repealed; 1966 Resolution. All resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflicts, hereby repealed, including the 1966 Resolution to the extent of such conflicts. This Resolution supplements and amends the 1966 Resolution.

Section 6.05. 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 6.06. Effective Time. This Resolution shall take effect immediately upon its adoption.

Adopted February 11, 1975.

Chairman of Public Service Board

Member

Member

AGREEMENT

THIS AGREEMENT made and entered into this 4th day of December, 1992, by and between CLARKSBURG WATER BOARD, a municipal corporation, party of the first part and hereinafter sometimes referred to as "Water Board", and VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, an organization created and existing pursuant to the provisions of Chapter 16, Article 13(a) of the Code of West Virginia, party of the second part and hereinafter sometimes referred to as "District",

WHEREAS, the parties hereto entered into a Water Purchase Contract dated August 12, 1974; and

WHEREAS, the parties have agreed to amend said Contract.

NOW, THEREFORE, in consideration of the agreements herein stated to be kept and performed, it is agreed as follows:

1. Water Board will supply treated water of the same quality and potability, as supplied to users within the limits of Clarksburg, West Virginia, to the District at a point of delivery on the 6-inch Water Board water main on U.S. Rt. 19, at or near its intersection with State Rt. 19/11, or at such place or places as the parties hereto may agree, in such quantity as may be required by the District, without limitation; provided, however, that the Water Board does not guarantee delivery of any quantity of water at any point along the water system owned by the District. This paragraph shall replace the first paragraph of Section 1 of said Water Purchase Contract.

2. Water Board agrees, at its own expense, to install a 6-inch meter at the point of delivery described above, in place of two (2) 2-inch meters now in existence, which change will be accomplished within sixty (60) days from the date hereof.

3. Water Board shall supply water, as provided herein and in said Water Purchase Contract, at a pressure on the District side of said meter of 100 pounds psi, subject, however, to the provisions contained in the second paragraph of

Section 1 of said Water Purchase Contract.

In all other respects, said Water Purchase Contract between the parties shall be and remain in full and effect.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed by their respective representatives, duly authorized.

ATTEST:

Phyllis Spencer
Executive Secretary

CLARKSBURG WATER BOARD

By:
Its: General Manager

ATTEST:

Evan Hughes
Secretary

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

By: Ellen Law
Its: Chairman

AGREEMENT

THIS AGREEMENT made and entered into this 4th day of December, 1992, by and between CLARKSBURG WATER BOARD, a municipal corporation, party of the first part and hereinafter sometimes referred to as "Water Board", and VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT, an organization created and existing pursuant to the provisions of Chapter 16, Article 13(a) of the Code of West Virginia, party of the second part and hereinafter sometimes referred to as "District".

WHEREAS, the parties hereto entered into a Water Purchase Contract dated August 12, 1974; and

WHEREAS, the parties have agreed to amend said Contract.

NOW, THEREFORE, in consideration of the agreements herein stated to be kept and performed, it is agreed as follows:

1. Water Board will supply treated water of the same quality and potability, as supplied to users within the limits of Clarksburg, West Virginia, to the District at a point of delivery on the 6-inch Water Board water main on U.S. Rt. 19, at or near its intersection with State Rt. 19/11, or at such place or places as the parties hereto may agree, in such quantity as may be required by the District, without limitation; provided, however, that the Water Board does not guarantee delivery of any quantity of water at any point along the water system owned by the District. This paragraph shall replace the first paragraph of Section 1 of said Water Purchase Contract.

2. Water Board agrees, at its own expense, to install a 6-inch meter at the point of delivery described above, in place of two (2) 2-inch meters now in existence, which change will be accomplished within sixty (60) days from the date hereof.

3. Water Board shall supply water, as provided herein and in said Water Purchase Contract, at a pressure on the District side of said meter of 100 pounds psi, subject, however, to the provisions contained in the second paragraph of

DEC 15 1992

Section 1 of said Water Purchase Contract.

In all other respects, said Water Purchase Contract between the parties shall be and remain in full and effect.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed by their respective representatives, duly authorized.

ATTEST:

Phyllis Spencer
Executive Secretary

CLARKSBURG WATER BOARD

By:
Its: General Manager

ATTEST:

Evan Hughes
Secretary

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

By: Ellen Lee
Its: Chairman

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THIS WATER PURCHASE CONTRACT, made this 12th day of August, 1974, by and between the Water Board of the City of Clarksburg, a municipal corporation, with principal offices in the City of Clarksburg, Harrison County, West Virginia, hereinafter sometimes called Water Board, party of the first part, and the Valley of Good Hope Public Service District, a statutory organization, organized in accordance with provisions of the West Virginia Code, Chapter 16, Article 13A, hereinafter sometimes called District, party of the second part.

Valley of Good Hope

WHEREAS, the District is organized and established for the purpose of constructing and operating a water supply distribution system serving water users within the area as described in the Engineering Report of Hornor Brothers Engineers, and to accomplish this purpose, the District will require a supply of treated water; and

WHEREAS, Water Board owns and operates a water supply distribution and fire protection system with a capacity currently capable of serving its present customers and the estimated number of water users to be served by the District, as shown in said Engineering Report.

NOW, THEREFORE, in consideration of the agreements hereinafter stated to be kept and performed, it is agreed as follows:

1. Water Board will supply treated water of the same quality and potability as supplied to users within the limits of Clarksburg, West Virginia, to the District at a point of delivery on the six (6) inch Water Board water main on U. S. Route 19, at or near its intersection with State Route No. 19/11, or at such place or places as the parties hereto may agree, at such pressures and volumes as may prevail from time to time at the point of connection of the District water main with that of the Water Board,

in such quantity as may be required by the District, but not to exceed 4,500,000 gallons per month unless or until the approval of the Water Board is first had and obtained; Provided, however, that the Water Board does not guarantee delivery of any quantity of water or pressure at any point along the water system owned by the District.

During the term hereof, if an unforseen circumstance occurs and the District, as the result thereof, requires more than the total gallons per month provided to be supplied in any one month, for a limited time, upon reasonable notice thereof to the Water Board, such additional supply of water will, subject to the other terms hereof, be supplied at such time and upon such conditions as the Water Board fixes, and the District will pay for such additional water at the applicable tariff. If forseeable circumstances occur and the District, as the result thereof, will require additional water per month, then, upon not less than sixty (60) days notice, in writing, to the Water Board, stating the circumstances so changed and the required increased consumption anticipated to be necessary to meet the situation, the Water Board may, subject to the other provisions hereof, supply such increased amount of water upon such terms and conditions as the Water Board may fix.

Water supplied to District shall be for residential and existing commercial and industrial customers only, and written permission shall be obtained from the Water Board by the District before any service is provided for any commercial or industrial customers not in existence at the date of this agreement.

7. The District agrees to pay to the Water Board the actual cost of connection to the Water Board's system, which cost shall not exceed Ten Thousand Dollars ($10,000.00), but which cost shall cover the installation by the Water Board of metering

equipment and connections, [illegible] the property of the City

3. The Water Board will supply to the District such treated water as is supplied to other users of Water Board for a period of forty (40) years, or for such period as any indebtedness incurred by the District to construct said water system and guaranteed or underwritten by the Farmers Home Administration or any other governmental agency remains unpaid.

4. The Water Board will supply the District water as measured at the point of delivery, at the rates fixed by the Public ~~Utilities~~ Service Commission of the State of West Virginia in the published tariff rates of the Water Board, and at such other rates or charges as may hereafter be approved by the Public ~~Utilities~~ Service Commission of the State of West Virginia.

The District agrees that it will pay to the Water Board for such water, the charges billed hereunder, promptly upon such billing, and according to the rules and regulations of the Water Board and the said Public ~~Utilities~~ Service Commission.

5. The Water Board shall not be liable for any damage to or from failure of the line or lines of the water system to be constructed and installed by the District, or to or of any line extending from said system to properties of those persons obtaining water from the District.

6. It is understood and agreed that the Water Board has a primary obligation to supply residential water service and fire protection to consumers and properties within the limits of the City of Clarksburg and such primary obligation shall always have priority over any obligations hereunder.

7. When requested by the District, the Water Board will make available to the District's contractor at the point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing and trench filling the District's water

system during construction, at a charge to be paid by the contractor or, on his failure to pay, by the District and which charge shall be calculated at the rate herein provided.

8. The District shall not assign this contract in whole or in part without first obtaining the written permission from the Water Board so to do; provided, however, that the Water Board does hereby consent to the assignment of this contract to the Department of Agriculture of the United States of America, acting through the Farmers Home Administration, its successors or assigns or the agency, person, firm or corporation owning and holding any bonds issued by the District, should default occur in the payment of any indebtedness incurred by the District with said Farmers Home Administration, or any other organization, firm, corporation, or agency in the construction of said water system; provided, further, however, that in the event of any occurrence rendering the District incapable of performing under this contract, any successor of the District, whether the result of legal process, assignment, or otherwise, shall succeed to the rights, duties and obligations of the District hereunder.

9. It is understood and agreed that the construction of the water supply distribution system by the District is being financed by a loan made or insured by, and/or a grant from the United States of America, acting through the Farmers Home Administration of the United States Department of Agriculture, and the provisions hereof pertaining to the undertakings of the District are conditioned upon the approval, in writing, of the State Director of the Farmers Home Administration.

10. This Water Purchase Contract shall become effective upon approval or consent by the Public ~~Utilities~~ Service Commission of the State of West Virginia.

IN WITNESS WHEREOF, the said Water Board of the City of

Clarksburg, a municipal corporation, and the said Valley of Good Hope Public Service District, acting under the authority of their respective governing bodies, have each caused this Water Purchase Contract to be duly executed in five (5) counterparts, each of which shall be deemed an original.

WATER BOARD OF THE CITY OF CLARKSBURG

ATTEST: By _____

_____ Its _____

Secretary

VALLEY OF GOOD HOPE PUBLIC SERVICE DISTRICT

ATTEST: By _____

_____ Its _____

Secretary

This Contract is approved on behalf of the Farmers Home Administration this _____ day of _____, 1974.

By _____