

CITY OF GLEN DALE

**Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)**

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CITY OF GLEN DALE
Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

BOND ORDINANCE

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CITY OF GLEN DALE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF CITY OF GLEN DALE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY CITY OF GLEN DALE OF NOT MORE THAN \$2,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2011 A (UNITED STATES DEPARTMENT OF AGRICULTURE) IN ONE OR MORE SERIES; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF CITY OF GLEN DALE:

ARTICLE I

**STATUTORY AUTHORITY, FINDINGS
AND DEFINITIONS**

Section 1.01 Authority for this Ordinance. This Ordinance is adopted and enacted pursuant to the provisions of Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law. The City of Glen Dale (the "Issuer") is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State.

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

A. The Issuer currently owns and operates a public waterworks system and desires to acquire, construct and operate certain additional public waterworks facilities consisting of additions, betterments and improvements to such existing waterworks facilities, with all appurtenant facilities.

B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer and, accordingly, it is hereby ordered, that there be acquired and constructed certain additions, betterments and improvements to the existing waterworks system of the Issuer, consisting of repainting and repairing the 500,000 gallon Main Tank, replacing the 50,000 gallon Skyline Tank with a new 105,000 gallon tank, replacing the hydro-pneumatic booster station at the Skyline Tank with a new hydroconstant booster station,

rehabilitating the creek crossing for the existing 8 inch water line along Little Grave Creek Road, upgrading water lines in the Lindy Lane, Sun Valley and Sixth Street areas to improve capacity and eliminate line maintenance, and appurtenances relating thereto (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 Recorder of the Issuer. The existing waterworks facilities of the Issuer, together with the Project and any further additions, betterments and improvements, are herein called the "System". The acquisition and construction of the Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

C. The estimated revenues to be derived in each year from the operation of the System after completion of the Project will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Series 2011 A Bonds and the Prior Bonds (as hereinafter defined) and all debt service, reserve fund and other payments provided for herein and in the Prior Ordinance.

D. The estimated maximum cost of the acquisition and construction of the Project is \$2,000,000 which will be obtained from the proceeds of sale of the Series 2011 A Bonds herein authorized.

E. It is necessary for the Issuer to issue its Water Revenue Bonds Series 2011 A (United States Department of Agriculture) in one or more series, in the aggregate principal amount not to exceed \$2,000,000 (the "Series 2011 A Bonds"), to finance a portion of the cost of acquisition and construction of the Project. The cost of such acquisition and construction shall be deemed to include, without being limited to, the acquisition and construction of the Project; the acquisition of all property rights, easements and franchises deemed necessary or convenient therefor and for the improvements and extensions thereto; interest on the Series 2011 A Bonds prior to and during acquisition and construction, and for a period not exceeding six months after completion of such acquisition or construction, of the Project; engineering, fiscal agents 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 Project, administrative expense, and such other expenses as may be necessary or incidental to the acquisition and construction of the Project and the financing authorized hereby; provided that, reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2011 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project.

F. The period of usefulness of the System, as herein defined, after completion of the Project is not less than forty years.

G. There are outstanding bonds or obligations of the Issuer which will rank on a parity with the Series 2011 A Bonds as to liens, pledge, source of and security for payment being the Issuer's Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, issued in the original aggregate principal amount of \$500,000, (the "Series 1998 A Bonds" or the "Prior Bonds"). The Series 2011 A Bonds are payable from and secured by a first lien on the Gross Revenues (as hereinafter defined) of the System on a parity with the Prior Bonds.

Prior to the issuance of the Series 2011 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 the Holders of the Prior Bonds to the issuance of the Series 2011 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. It is in the best interest of the Issuer that the Series 2011 A Bonds be sold to the Purchaser, pursuant to the terms and provisions of the Letter of Conditions dated May 12, 2009, and any amendments, thereto (collectively, the "Letter of Conditions").

I. The Issuer has complied with all requirements of law relating to the authorization of 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 Series 2011 A Bonds, or will have so complied prior to issuance of the Series 2011 A Bonds, including, among other things and without limitation, obtaining a certificate of convenience and necessity and approval of the financing and necessary user rates and charges from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired or shall have been duly waived or otherwise provided for.

Section 1.03 Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2011 A Bonds by those who shall be the Registered Owner of the same from time to time, this Ordinance (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owner, and the covenants and agreements set forth herein to be performed by the Issuer shall be for the benefit, protection and security of the Registered Owner of the Series 2011 A Bonds.

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

"Act" means Chapter 8, Article 19 of the West Virginia Code of 1931, as amended.

"Bond Legislation" or "Ordinance" means this Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

"Bond Registrar" or "Registrar" means the Issuer, which shall usually so act by its Recorder.

"Bonds" means collectively, the Series 2011 A Bonds, the Prior Bonds and where appropriate, any bonds on a parity herewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2011 A Bonds for the proceeds, or at least a de minimus portion, thereof representing the purchase price of the Series 2011 A Bonds from the Purchaser.

“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 Engineer” means Cerrone Associates, Inc., Wheeling, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

“Depository Bank” means the bank designated as such in the Supplemental Resolution and its successors and assigns, which is a member of FDIC (herein defined).

“Facilities” or “waterworks facilities” means all the tangible properties of the System and also any tangible properties which may hereafter be added to the System by additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

“FDIC” means the Federal Deposit Insurance Corporation.

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

“Governing Body” or “Council” means the Council of the Issuer.

“Government Obligations” means direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America.

“Herein” or “herein” means in this Bond Legislation.

“Issuer” or “Borrower” means the City of Glen Dale, a municipal corporation and political subdivision of the State of West Virginia, in Marshall County, West Virginia, and includes the Governing Body.

“Letter of Conditions” means, collectively, the Letter of Conditions of the Purchaser dated May 12, 2009, and all amendments thereto, if any.

“Mayor” means the Mayor of the Issuer.

“Minimum Reserve” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2011 A Bonds in the then current or any succeeding year.

“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 Project and the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, materials and supplies, pumping costs, salaries,

wages and administrative expenses of the Issuer relating and chargeable solely to the Project and 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 principles 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, provided that all monthly amortization payments upon the Series 2011 A Bonds and into the respective reserve accounts and the Renewal and Replacement Fund have been made to the last monthly date prior to the date of such retention.

“Prior Bonds” means the Series 1998 A Bonds.

“Prior Ordinance” means the Ordinance of the Issuer authorizing the Prior Bonds.

“Project” shall have the meaning stated in Section 1.02B above.

“Project Construction Account” means the Project Construction Account established pursuant to section 4.01 hereof.

“Purchaser” or “Government” means United States Department of Agriculture, Rural Utilities Service, and any successor thereof, acting for and on behalf of the United States of America.

“Qualified Investments” means and includes any of the following, to the extent such investments are permitted by law:

(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 (hereinbefore defined) or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

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

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

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

(i) Obligations of States or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service or Standard & Poor's Corporation.

"Recorder" means the Recorder of the Issuer.

“Registered Owner,” “Bondholder,” “Holder of the Bond” or any similar term means any person who shall be the registered owner of the Series 2011 A Bonds.

“Renewal and Replacement Fund” means the renewal and replacement Fund established by Prior Ordinance.

“Reserve Accounts” means, the respective reserve accounts for the Series 2011 A Bonds and the Prior Bonds.

“Revenue Fund” means the Revenue Fund established by Prior Ordinance.

“Revenues” or “Gross Revenues” means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, 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.

“Series 1998 A Bonds” means the Issuer’s Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, issued in the original aggregate principal amount of \$500,000.

“Series 2011 A Bonds” means the Water Revenue Bonds, Series 2011 A, (United States Department of Agriculture) issued in one or more series authorized by this Ordinance.

"Series 2011 A Bonds Reserve Account" means the Series 2011 A Bonds Reserve Account established by Section 4.02 hereof.

"Series 2011 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2011 A Bonds in the then current or any succeeding year.

“State” means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2011 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2011 A Bonds, and not so included may be included in another Supplemental Resolution.

“System” means the complete waterworks system of the Issuer 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 systems, including the Project, and any and all additions, betterments, improvements, properties or other facilities at any time acquired or constructed for the Waterworks system from any source whatsoever.

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

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; and any requirement for execution or attestation of the Series 2011 A Bonds or any certificate or other document by the Mayor or the Recorder shall mean that such Series 2011 A Bonds, certificate or other documents may be executed or attested by an Acting Mayor or Acting Recorder.

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 not to exceed \$2,000,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2011 A Bonds hereby authorized shall be applied as provided in Article IV hereof.

The estimated maximum cost of the acquisition and construction of the Project is \$2,000,000 which will be obtained from the proceeds of sale of the Series 2011 A Bonds herein authorized.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF BONDS

Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions of this Bond Legislation, the Series 2011 A Bonds of the Issuer, to be known as "Water Revenue Bonds, Series 2011 A (United States Department of Agriculture)", are hereby authorized to be issued in the principal amount of not to exceed \$2,000,000 and interest rate not to exceed 4.625% with such terms as set forth hereinafter and in the Supplemental Resolution for the purpose of permanently financing a portion of the cost of the acquisition and construction of the Project.

Section 3.02. Description of Bonds. The Series 2011 A Bonds shall be issued in one or more series, only as a fully registered Bond, and shall be dated on the date of delivery thereof. The Series 2011 A Bonds shall bear interest from date of delivery, payable monthly at the rate not to exceed 4.625% per annum, with such terms as set forth hereinafter and in the Supplemental Resolution, and shall be sold for the par value thereof.

The Series 2011 A Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the Bond form hereinafter set forth.

Section 3.03 Negotiability, Registration, Transfer and Exchange of Bonds. The Series 2011 A Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the Series 2011 A Bonds, and the right to the principal of and stated interest on the Series 2011 A Bonds, may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 3.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Series 2011 A Bonds for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Bond Registrar.

Whenever the Series 2011 A Bonds shall be surrendered for registration of transfer, the Issuer shall execute and deliver a new Bond or Bonds in authorized denominations, for a like aggregate principal amount. The Bond Registrar shall require the payment by the new owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, but the Issuer shall pay any other expenses incurred by the Bond Registrar with respect to such transfer.

No registration of transfer of the Series 2011 A Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Series 2011 A Bonds.

Section 3.04 Bond Registrar. The Issuer shall be the Bond Registrar and will keep or cause to be kept at its office by its agent, sufficient books for the registration and transfer of the Series 2011 A Bonds, and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register the Series 2011 A Bonds initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Series 2011 A Bonds as hereinbefore provided.

The Bond Registrar shall accept the Series 2011 A Bonds for registration of transfer only if ownership thereof is to be registered in the name of the Purchaser, an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust, and/or such other identifying number and information as may be required by law. The Series 2011 A Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America. So long as the Series 2011 A Bonds shall be registered in the name of the United States of America, the address of the United States of America for registration purposes shall be National Finance Office, St. Louis, Missouri 63103, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 3.05. Execution of Bonds. The Series 2011 A Bonds shall be executed in the name of the Issuer by the Mayor and the seal of the Issuer shall be affixed thereto and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 2011 A Bonds shall cease to be such officer of the Issuer before the Series 2011 A Bonds so signed and sealed has been actually sold and delivered, such Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2011 A Bonds had not ceased to hold such office. The Series 2011 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 Series 2011 A Bonds shall hold the proper office in the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 2011 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Series 2011 A Bonds so surrendered shall be canceled and held for the account of the Issuer. If the Series 2011 A Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2011 A Bonds the Issuer may pay the same, and, if such Series 2011 A Bonds be destroyed, stolen or lost, without surrender thereof.

Section 3.07. Bonds Secured by Pledge of Gross Revenues, Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2011 A Bonds shall be secured forthwith by a first lien on the Gross Revenues derived from the System on a parity with the Prior Bonds. The Gross Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Series 2011 A Bonds and the Prior Bonds and to make the payments as hereinafter provided and in the Prior Ordinance, are hereby irrevocably pledged to the payment of the principal of and interest on the Series 2011 A Bonds as the same becomes due.

Section 3.08. Form of Bonds. Subject to the provisions hereof, the text of the Series 2011 A Bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or by any ordinance enacted after the date of enactment hereof and prior to the issuance thereof:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2011 A Bond)

CITY OF GLEN DALE

WATER REVENUE BONDS, SERIES 2011 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

\$ _____

No. AR-1

Date: _____, 2011

FOR VALUE RECEIVED, CITY OF GLEN DALE (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, 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 _____ DOLLARS (\$ _____), plus interest on the unpaid principal balance at the rate of _____% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of this Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof, and \$ _____, covering principal and interest, thereafter on said corresponding 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, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided herein below. 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 Record of Advances attached hereto as a part 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 Government 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 acquisition and construction of additions, betterments and improvements to the waterworks system (the "System") of Borrower, is payable solely from and secured by the revenues to be derived from the operation of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation, nor shall the Borrower be obligated to pay the same or the interest thereon except from the special fund so provided.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of Borrower, as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (herein called the "Act"), and an Ordinance of Borrower

duly enacted on _____, 2011 and a Supplemental Resolution duly adopted by the Issuer on _____, 2011, authorizing issuance of this Bond (collectively, the "Ordinance").

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 given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act of 1965, as amended. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATER REVENUE BONDS, SERIES 1998 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 26, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 1998 A BONDS" OR THE "PRIOR BONDS").

In accordance with the requirements of the United States Department of Agriculture, 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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, CITY OF GLEN DALE has caused this Bond to be executed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Recorder, all as of the date hereinabove written.

CITY OF GLEN DALE

[CORPORATE SEAL]

Mayor

201 7th Street
Glen Dale, West Virginia 26038

ATTEST:

Recorder

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(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 \$ _____

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to _____ 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 Borrower with full power of substitution in the premises.

Dated: _____, 20____.

In presence of:

ARTICLE IV

SYSTEM REVENUES AND APPLICATION THEREOF; DISPOSITION OF BOND PROCEEDS; FUNDS AND ACCOUNTS

Section 4.01 Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are created (or continued if previously established by Prior Ordinance) and established with, and shall be held by, the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and from each other:

- (1) Revenue Fund (established by Prior Ordinance and continued hereby);
- (2) Renewal and Replacement Fund (established by Prior Ordinance and continued hereby); and
- (3) Project Construction Account.

Section 4.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued if previously established by Prior Ordinance) 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 1998 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);
- (2) Series 1998 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);
- (3) Series 2011 A Bonds Reserve Account.

Section 4.03. Bond Proceeds; Project Construction Account. The proceeds of sale of the Series 2011 A Bonds shall be deposited upon receipt by the Issuer in the Project Construction Account. The monies in the Account in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Monies in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Monies in the Project Construction Account shall be used solely to pay the cost of acquisition and construction of the Project upon vouchers and other documentation approved by the Purchaser.

Until completion of acquisition and construction of the Project, the Issuer will additionally transfer from the Project Construction Account and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installment payments on the Series 2011 A Bonds if there are not sufficient Gross Revenues to make such monthly payment.

Pending application as provided in this Section 4.03, money and funds in the Project Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When acquisition and 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 be disposed of in accordance with the regulations of the Purchaser.

Section 4.04. Covenants of the Issuer as to Revenues and Funds. So long as any of the Series 2011 A Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 2011 A Bonds Reserve Account, sums sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Series 2011 A Bonds remaining unpaid, together with interest accrued to the date of such payment, the Issuer further covenants with the holder of the Series 2011 A 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 Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Prior Ordinance and 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 provided in the Prior Ordinance and this Bond Legislation.

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, subject to the provisions of the Prior Ordinance not otherwise modified herein:

(1) The Issuer shall first, each month, on or before the due date thereof, transfer from the Revenue Fund and simultaneously remit (i) to the Commission for deposit in the Series 1998 A Sinking Fund Bonds the amount required by the Prior Ordinance to pay the interest on the Series 1998 A Bonds; and (ii) to the National Finance Office the amounts required to pay interest on the Series 2011 A Bonds.

(2) The Issuer shall next, each month, transfer from the Revenue Fund and simultaneously (i) on or before the due date thereof, remit to the Commission the amount required by the Prior Ordinance to pay the principal of the Series 1998 A Bonds; and (ii) on or before the due date thereof, remit to the National Finance Office, commencing 24 months following the date of delivery of the Series 2011 A Bonds, the amount required to amortize the principal of the Series 2011 A Bonds over the life of the bond issue.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and (i) remit to the Commission, the amount required by the Prior Ordinance to be deposited in the Series 1998 A Bonds Reserve Account; and (ii) beginning on the date specified by the Purchaser, but in any event not later than the 24th monthly anniversary of the Closing Date, thereafter, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2011 A Bonds Reserve

Account, an amount equal to 10% of the monthly payment amount each month, until the amount in the Series 2011 A Bonds Reserve Account equals the Series 2011 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2011 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 2011 A Bonds Reserve Requirement.

(4) The Issuer shall next, each month, pay from the Revenue Fund the Operating Expenses of the System.

(5) The Issuer shall next, each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount equal to 2 ½ % of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided that, any deficiencies in any Reserve Accounts (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) After all the foregoing provisions for use of monies in the Revenue Fund have been fully complied with, any monies remaining therein and not permitted to be retained therein may be used to prepay installments of the Bonds, pro rata, or for any lawful purpose of the System.

Whenever the monies in the Series 2011 A Bonds Reserve Account shall be sufficient to prepay the Series 2011 A Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 2011 A Bonds, at the earliest practical date and in accordance with applicable provisions hereof.

The Depository Bank is hereby designated as the Fiscal Agent for the administration of the Renewal and Replacement Fund as herein provided, and all amounts required for the Renewal and Replacement Fund will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein, together with written directions stating the amount remitted for deposit into each such fund.

The Commission is hereby designated as the Fiscal Agent for the administration of the Series 2011 A Bonds Reserve Account as herein provided, and all amounts required for said account shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Purchaser at anytime, the Issuer shall make the necessary arrangements whereby required payments into said account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day if each month), deposit with the Commission the required reserve account payments with respect to the Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

The Revenue Fund and the Renewal and Replacement Fund shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser shall have a lien thereon for further securing payment of the Series 2011 A Bonds and the interest thereon, but the Depository Bank shall not be a trustee as to such funds.

If on any payment date the Revenues are insufficient to make the payments and transfers as hereinabove provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates on a parity and pro rata with respect to the Prior Bonds.

The Commission and the Depository Bank, at the direction of the Issuer, shall keep the monies in the Series 2011 A Bonds Reserve Account and the Renewal and Replacement Fund invested and reinvested to the fullest extent possible, in accordance with applicable law, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Bond Legislation shall, unless otherwise required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Treasury Investments. 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 interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings from monies in the Series 2011 A Bonds Reserve Account so long as the Minimum Reserve is on deposit and maintained therein, shall be returned not less than once each year, by the Commission to the Issuer to be deposited in the Revenue Fund.

C. CHANGE OF DEPOSITORY BANK AND FISCAL AGENT. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank and Fiscal Agent if the Depository Bank should cease for any reason to serve or if the Governing Body determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser.

D. USER CONTRACTS. The Issuer shall, prior to delivery of the Series 2011 A Bonds, provide evidence that there will be at least 1,018 bona fide users upon the System on completion of the Project, in full compliance with the requirements and conditions of the Purchaser.

E. CHARGES AND FEES. The Issuer shall remit from the Revenue Fund to the Commission or the Depository Bank such additional sums as shall be necessary to pay the charges and fees of the Commission or the Depository Bank then due.

F. INVESTMENT OF EXCESS BALANCES. The monies in excess of the sum insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, in lawful manner for securing deposits of State and municipal funds under the laws of the State of West Virginia.

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

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

ARTICLE V

GENERAL COVENANTS

Section 5.01. General Statement. So long as the Series 2011 A Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 2011 A Bonds Reserve Account a sum sufficient to prepay the entire principal of the Series 2011 A Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Holder of the Series 2011 A Bonds.

Section 5.02. Rates. Prior to the issuance of the Series 2011 A Bonds, the Issuer 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 (i) will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to not less than 110% of the maximum annual debt service on the Series 2011 A Bonds and sufficient to make the payments required herein into all funds and accounts 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; and (ii) so long as the Prior Bonds are Outstanding to provide for all reasonable expenses of operation, repair, maintenance of the System and to leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any Fiscal Year for the payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues; provided that, in the event that an amount equal to or in excess of the reserve requirements for the Bonds prior to or on a parity with the Bonds are funded at least at the requirement therefor, such balance each Fiscal Year need only equal at least 110% of the maximum amount required in any Fiscal year for the payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues.

Section 5.03. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinance. Additionally, the System will not be sold without the prior written consent of the Purchaser so long as the Series 2011 A Bonds are outstanding.

Section 5.04. Issuance of Additional Parity Bonds or Obligations. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no additional Parity Bonds or obligations payable out of the Revenues of the System shall be issued, except with the prior written consent of the Purchaser.

So long as the Series 2011 A Bonds are outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Recorder 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 Bond Legislation then Outstanding;
- (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 Series 2011 A Bonds, representing 75% of the then-outstanding principal indebtedness.

So long as the Prior Bonds are Outstanding, no Parity Bonds shall be issued at any time, unless there has been procured and filed with the Recorder 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 Ordinance 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 enacted by the Issuer, 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 Recorder 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.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation and the Prior Ordinance with respect to the Series 2011 A Bonds and Prior Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation and the Prior Ordinance.

Section 5.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Series 2011 A Bonds remain outstanding, 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 upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System and mechanical and electrical equipment in place or stored on the site 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 Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

B. PUBLIC LIABILITY INSURANCE, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the Series 2011 A Bonds.

C. VEHICULAR PUBLIC LIABILITY INSURANCE, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer 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 for the Issuer.

D. WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF THE ISSUER 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 prime contractor, and such payment bonds will be filed with the Recorder of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' Compensation coverage will be maintained as provided by law.

E. FLOOD INSURANCE to be procured, to the extent available at reasonable cost to the Issuer; provided, however, if the System is located in a community which has been notified as having special flood or mudslide prone areas, flood insurance must be obtained.

F. FIDELITY BONDS will be provided as to every member of the Governing Body and as to every officer and employee of the Issuer having custody of the Revenue Fund or of any Revenues or other funds of the Issuer in such amount as may be requested by the Purchaser from time to time.

G. Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Series 2011 A Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or bonding companies acceptable to the Purchaser.

Section 5.06. Statutory Mortgage Lien. For the further protection of the Holder of the Series 2011 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect immediately upon the delivery of the Series 2011 A Bonds and shall be for the equal benefit of the Series 2011 A Bonds on a parity with the Prior Bonds.

Section 5.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

A. Failure to make payment of any monthly amortization installment upon the Series 2011 A Bonds at the date specified for payment thereof;

B. Failure to duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the Series 2011 A Bonds or herein, or violation of or failure to observe any provision of any pertinent law, or

C. If default occurs with respect to the Prior Bonds or the Prior Ordinance.

Section 5.08. Enforcement. 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 Series 2011 A Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2011 A Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2011 A Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2011 A Bonds shall be on a parity with each other and with those of the Holders of the Prior Bonds. Any Registered Owner of the Bonds, by proper legal action, compel the performance of the duties of the Issuer under this 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 the Bonds 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.

Section 5.09. Fiscal Year; Budget. While the Series 2011 A Bonds are 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 thirty days prior to the beginning of each Fiscal Year, the Issuer 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 Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser by the beginning of each Fiscal Year.

If for any reason the Issuer 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 10%; 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 Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser.

Section 5.10. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the acquisition and construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and on file with the Recorder on the date of adoption hereof, subject to permitted changes.

Section 5.11. Books and Records; Audits. 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 the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer 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 and shall mail a copy of such audit report to the Purchaser. The Issuer shall further comply with the Act with respect to such books, records and accounts.

Section 5.12. Maintenance of System. The Issuer 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 the Series 2011 A Bonds are outstanding.

Section 5.13. No Competition. To the extent legally allowable, the Issuer will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Issuer or within the territory served by the System.

ARTICLE VI

RATES, ETC.

Section 6.01. Initial Schedule of Rates and Charges; Rules.

A. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the rate ordinance of the Issuer enacted on February 22, 2010 which rate ordinance is incorporated herein by reference as a part hereof.

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 a lien on the premises served if not paid when due. The Issuer shall have all remedies and powers provided under the Act and other applicable provisions of law with regard to the collection and enforcement of such fees, rates and charges, including, without limitation, any right and power of foreclosure under the Act and/or such other applicable provisions of law.

D. The Issuer 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 Issuer 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 Issuer 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. The Issuer shall not be liable to any customer for any damage resulting from bursting or breakage of any pipe, line, main, 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 whatever.

G. In case of emergency, the Issuer 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 Issuer.

H. The fees, rates and charges above provided will be increased whenever such increase is necessary in order to comply fully with all provisions hereof, and the Issuer 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 revenues to meet its payments and obligations provided hereunder, but in any event, not less than 110% of the annual debt service on the Bonds Outstanding after the Prior Bonds are paid in full.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holder of the Series 2011 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 2011 A Bonds, the pledge of Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owner of the Series 2011 A Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

Except through such direct payment to the Holder of the Series 2011 A Bonds, the Issuer may not defease the Series 2011 A Bonds or otherwise provide for payment thereof by escrow or like manner.

Section 7.02. Modification or Amendment. Prior to issuance of the Series 2011 A Bonds, this Ordinance may be amended or supplemented in any way by ordinance or resolution. Following issuance of the Series 2011 A Bonds, no modification or amendment of this Ordinance, or any ordinance or resolution amendatory hereof or supplemental hereto, shall be made without the prior written consent of the Purchaser.

Section 7.03. Delivery of Bonds. The Mayor is hereby authorized and directed to cause the Series 2011 A Bonds, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 7.04. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof 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 severable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Series 2011 A Bonds.

Section 7.05. Conflicting Provisions Repealed. Except for the Prior Ordinance, all ordinances, resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided that this section shall not be applicable to the Loan Resolution (Form FmHA 442-47).

Section 7.06. 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 7.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption and enactment of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, Recorder and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 7.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Bond Legislation, determined by the Council to contain sufficient information as to give notice of the contents hereof, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in the *Moundsville Daily Echo*, being qualified newspapers of general circulation in Marshall County, no newspaper being published therein, together with a notice stating that this Ordinance has been adopted, and that the Issuer contemplates the issuance of the Bond, and that any person interested may appear before the Council upon a date certain, not less than ten days subsequent to the date of the first publication of the said abstract and notice and not prior to the last date of such publication, and present protests, and that a certified copy of the Ordinance is on file in the office of the Recorder of the Issuer for review by interested parties during regular office hours. At such hearing, all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises.

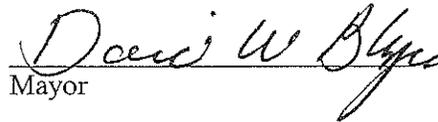
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Section 7.09. Effective Time. This Bond Legislation shall take effect following public hearing hereon in accordance with the Act.

Passed on First Reading: February 14, 2011

Passed on Second Reading: February 28, 2011

Passed on Final Reading
Following Public Hearing: March 14, 2011


Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of City of Glen Dale on the 14th day of March, 2011.

Dated: April 21, 2011.

[SEAL]


Recorder

01.19.11
333190.00004

CITY OF GLEN DALE

Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION MAKING PROVISIONS AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2011 A OF CITY OF GLEN DALE, AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of City of Glen Dale (the "Issuer") has duly and officially adopted and enacted a bond ordinance, March 14, 2011 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF CITY OF GLEN DALE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY CITY OF GLEN DALE OF NOT MORE THAN \$2,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2011 A (UNITED STATES DEPARTMENT OF AGRICULTURE) IN ONE OR MORE SERIES; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

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

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds, Series 2011 A, of the Issuer (the "Series 2011 A Bonds"), in an aggregate principal amount not to exceed \$2,000,000 and has authorized the execution and delivery of the documents relating to the Bonds, all in accordance with Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (collectively, the "Act");

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF CITY OF GLEN DALE:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer:

A. Water Revenue Bonds, Series 2011 A (United States Department of Agriculture), of the Issuer, originally represented by a single Bond, numbered AR-1 in the principal amount of \$1,665,000. The Series 2011 A Bonds shall be dated the date of delivery thereof, shall bear interest at the rate of 4.625% per annum, interest only payable in monthly installments for the first 24 months commencing 30 days following delivery of the Series 2011 A Bonds and continuing on the corresponding day of each month and, thereafter, principal and interest are payable in monthly installments of \$7,776 on the corresponding day of each month, except that the final installment shall be paid at the end of forty years from the date of the Series 2011 A Bonds, in the sum of the unpaid principal and interest due on the date thereof, except that prepayments may be made as hereinafter provided and as provided in the Series 2011 A Bonds, all such payments to be made at the National Finance Office, St. Louis, Missouri 63103, or at such other place as the Purchaser may designate after issuance of the Series 2011 A Bonds. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Issuer.

Section 2. The Mayor and the Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about April 21, 2011, to the Purchaser.

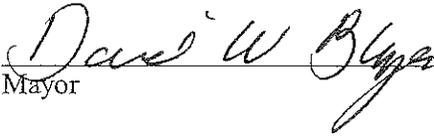
Section 3. The Issuer does hereby appoint and designate Branch Banking & Trust Company, Glen Dale, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 4. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

Section 5. 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 6. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 28th day of March, 2011.



Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of City of Glen Dale on the 28th day of March, 2011.

Dated: April 21, 2011.

[SEAL]


Recorder

03.23.11
333190.00004


United States Department of Agriculture
Rural Development
Ripley Area Office

March 23, 2011

The Honorable David Blazer
Mayor, City of Glen Dale
201 7th Street
Glen Dale, WV 26038

Dear Mayor Blazer:

The pre-closing for the City's Rural Development (RD) loan will be held on April 19, 2011, at 10:00 AM at City Hall in Glen Dale, West Virginia. The preconstruction conference will follow at 11:00 AM. The official loan closing date for the Water System Improvements Project will be April 21, 2011.

Reference is made to our Letter of Conditions dated May 12, 2009. All of the requirements of this letter must be met and in addition, the loan must be closed in accordance with RUS Instruction 1780 and "Closing Guidelines for Community Facilities Loans to Public Bodies."

The RD loan of \$1,665,000 will be closed utilizing an interest rate of 4.625%, resulting in a monthly payment of \$7,776. The City must establish a debt service reserve account at the West Virginia Municipal Bond Commission. This account must be funded on a monthly basis with an amount equal to 10% of the monthly payment until the equivalent of one annual installment on the loan is accumulated.

The following items should be submitted to our office as soon as possible but no later than April 12, 2011:

1. The City's engineer must provide a resume of the proposed inspector(s).
2. The City must provide a letter accepting the proposed inspector(s).
3. The City's accountant must certify that the accounts and records as required by the City's bond ordinance have been established and are operational.
4. The City must provide evidence that it has acquired insurance and bond coverage in accordance with Item 12 of the Letter of Conditions. The City's position fidelity coverage must be increased by at least the amount of the estimated highest monthly construction drawdown. The additional premium for this coverage is an eligible project expense and may be reimbursed from project funds. Once construction is complete, the position fidelity coverage may be decreased to not less than the amount of one annual installment on your Rural Development loans.

530 Freedom Road, Ripley, WV 25271
Phone: (304) 372-6231 Ext. 4 • Fax: (304) 372-6856 • TDD: (304) 284-4836 • Web: <http://www.rurdev.usda.gov/wv>

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5. The City must furnish evidence that it provides State Workers' Compensation Insurance. A certificate of good standing will be satisfactory.
6. An advance copy of the first drawdown. Please make sure that requested payments do not exceed the amounts in the various professional agreements as approved by RD.

On the day of pre-closing, the following documents must be provided:

1. The City's attorney will need to provide Form RD 442-22 "Opinion of Counsel Relative to Rights of Way," showing no exceptions. This form should be dated April 21, 2011.
2. The City's attorney must furnish a Form RD 1927-10 "Final Title Opinion," on all property being acquired and for all existing property owned by the City in connection with the water system. A single final title opinion may be provided if it includes an attachment which adequately addresses each of the parcels identified in the preliminary title opinions. The opinion should be dated April 21, 2011.

If you have any questions regarding these or any other matters pertaining to your loan, please contact our office at your earliest convenience.

Sincerely,



VIRGINIA M. McDONALD
Area Specialist

enclosure

cc: State Director
USDA Rural Development
Morgantown, WV

Dominick P. Cerrone, P.E.
Cerrone Associates, Inc.
Wheeling, WV

John C. Stump, Esquire
Steptoe & Johnson, PLLC
Charleston, WV

Frederick E. Gardner, Esquire
Moundsville, WV

E. Marc Abraham, CPA
Abraham & Company, PLLC
Moundsville, WV


United States Department of Agriculture
Rural Development
Ripley Area Office

March 21, 2011

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Mayor, City of Glen Dale
201 7th Street
Glen Dale, WV 26038~~

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Phone: (304) 372-6231 Ext. 4 • Fax: (304) 372-6856 • TDD: (304) 284-4836 • Web: <http://www.rurdev.usda.gov/wv>

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Washington, DC 20250-9410, or call (800)795-3272 (voice) or (202) 720-6382 (TDD)

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If you have any questions regarding these or any other matters pertaining to your loan, please contact our office at your earliest convenience.

Sincerely,



VIRGINIA M. McDONALD
Area Specialist

enclosure

cc: State Director
USDA Rural Development
Morgantown, WV

Dominick P. Cerrone, P.E.
Cerrone Associates, Inc.
Wheeling, WV

John C. Stump, Esquire
Steptoe & Johnson, PLLC
Charleston, WV

Frederick E. Gardner, Esquire
Moundsville, WV

E. Marc Abraham, CPA
Abraham & Company, PLLC
Moundsville, WV



Engineer

GL10-9W

United States Department of Agriculture
Rural Development
West Virginia State Office

May 12, 2009

The Honorable David Blazer
Mayor, City of Glen Dale
201 7th Street
Glen Dale, WV 26038

Dear Mayor Blazer:

This letter, with Attachments 1 through 8 and enclosures, establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan and grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by USDA, Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

The docket may be completed on the basis of an RUS loan in the amount of \$1,665,000, for a total project cost of \$1,665,000.

The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you. The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing.

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. All parties may access our web-site located at www.usda.gov/rus/water/ for the following:

- a. RUS Instruction 1780
- b. RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Standard Documents on Water and Waste Projects with RUS Financial Assistance"
- c. RUS Bulletin 1780-30, "Water Programs Audit Guide and Compliance Supplement"
- d. RUS Bulletin 1780-31, "Water Programs Compliance Supplement For OMB Circular A-133 Audits"

75 High Street, Federal Building, Suite 320, Morgantown, WV 26505-7500
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Government Auditing Standards (Revision 2007) (Accountant Copy) may be accessed at www.gao.gov/govaud/ybk01.htm.

The enclosures and attachments listed below are attached to the copies as noted.
Enclosed are the following:

- Attachment No. 1 – Project Construction Budget (All Copies)
- Attachment No. 2 – Water and Waste Processing Checklist
- Attachment No. 3 – Form RD 442-22, “Opinion of Counsel Relative to Rights-of-Way” (Attorney Copy)
- Attachment No. 4 – Form RD 1927-9, “Preliminary Title Opinion” (Attorney Copy)
- Attachment No. 5 – Form RD 1927-10, “Final Title Opinion” (Attorney Copy)
- Attachment No. 6 – RUS Supplemental General Conditions (Engineer Copy)
- Attachment No. 7 – Labor Standards Provisions (Engineer Copy)
- Attachment No. 8 – Various other RD forms as identified on Attachment No. 2

The conditions referred to above are as follows:

1. **American Recovery and Reinvestment Act of 2009 ("Recovery Act").**

Recovery Act requirements apply to this financing. In addition to the other conditions contained in this Letter of Conditions, you must understand and agree to these following conditions specific to the Recovery Act:

- (a). **Certifications.** With respect to Recovery Act funds made available to State or local governments for infrastructure investments, Section 1511 of the Recovery Act requires the Governor, mayor or other chief executive, as appropriate, to certify that the infrastructure investment has been properly approved as required by law and that the chief executive accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars. RD Water and Waste personnel will provide specific guidance on the information required in the certification.
- (b). **Reports on Use of Funds.** Section 1512 of the Recovery Act requires each recipient receiving Recovery Act funding to provide specific information to the government on a periodic basis for inclusion in various internal and publicly-available reports. RD Water and Waste Program personnel will provide specific guidance on the type and frequency of information required to assist Recovery Act recipients in complying with this condition.

(c). Buy American. Section 1605 of the Recovery Act requires that all projects financed with Recovery Act funds be bid and constructed using only iron, steel and manufactured goods produced in the United States in accordance with Section 1605 of the Recovery Act. Specific guidance, including contract provisions to be included in any construction contracts, is being formulated and drafted as of the date of this Letter of Conditions. RD Water and Waste Program personnel will provide specific guidance related to this condition as soon as it is available.

(d). Wage Rate Requirements. Section 1606 of the Recovery Act requires that all laborers and mechanics employed by contractors and subcontractors for the project will be paid wages at rates not less than those prevailing on projects of a character similar in the locality where this project will occur. Specific guidance, including contract provisions to be included in any construction or otherwise related contracts, is being formulated and drafted as of the date of this Letter of Conditions. RD Water and Waste Program personnel will provide specific guidance related to this condition as soon as it is available.

Compliance with the conditions in this section is required for financing under the Recovery Act. However, these conditions are not substitutes for, or in lieu of, the remaining conditions contained in this Letter of Conditions. Each of the conditions in this Letter of Conditions must also be understood and complied with to receive financing for your project.

2. **Fund Usage** – Funds obligated under the terms of this letter of conditions are committed on the basis that your project will proceed to the construction stage in an expedient manner. In accordance with RUS Staff Instruction 1782-1, Section 1782.20(u)(5), any funds not disbursed within 60 months from the date of obligation will be de-obligated and returned to the Department of Treasury for further disposition to other RUS project applicants. In the event that USDA determines that your project has not progressed within the five (5) year timeline and that funds will be recaptured, you will be given appeal rights and due process to document reasons why you believe the decision to de-obligate your project funds is not justified.
3. **Loan Repayment** – The loan will be scheduled for repayment over a period of 40 years. The payments due the first 24 months will consist of interest only. Payments for the remaining 456 months will be equal amortized monthly installments. For planning purposes use a 4.625% interest rate and a monthly amortization factor of .00467, which provides for a monthly payment of \$7,776. The City will be required to participate in the PREAUTHORIZED DEBIT (PAD) payment process. It will allow for your payment to be electronically debited from your account on the day your payment is due. Your

authority must establish and fund monthly a debt service reserve account, which equals 10% of your monthly payment each month until you accumulate the equivalent of one annual installment on your loan.

You are reminded that your authority may be required to refinance (graduate) the unpaid balance of its RUS loan, in whole or in part, upon the request of RUS if at any time it shall be determined the authority is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods or time.

4. **Security** – The loan must be secured by a statutory lien of equal priority with the City's existing Water Revenue Bonds, a pledge of the system's revenues and other agreements between you and RUS as set forth in the bond ordinance which must be properly adopted and executed by the appropriate officials of your organization. Additional security requirements are contained in RUS Bulletin 1780-27 which is mentioned later.
5. **Users** – This conditional commitment is based upon you providing evidence that there will be at least 1,018 bona fide users on the proposed system when it has been completed and is placed in operation. This evidence will consist of a certification from you that identifies and attests to the number of users that are actually connected to the City's existing water system which is to be partially replaced by the new system, at the time you request authorization to advertise the project for construction bids.

Before RUS can agree to the project being advertised for construction bids, you must provide evidence that the total required number of bona fide users has been acquired and currently using the system.

6. **Bond Counsel Services** – The services of a recognized bond counsel are required. The bond counsel will prepare the form of ordinance to be used, in accordance with Subpart D of RUS Instruction 1780. You should immediately provide your bond counsel with a copy of this letter of conditions, its attachments and enclosures.
7. **Engineering Services** – It will be necessary for you to obtain the services of an engineer. EJCDC No. 510-FA, "Standard Form of Agreement between Owner and Engineer for Professional Services" (2002 Funding Agency Edition) should be used to obtain the services of an engineer. The EJCDC document is issued under copyright and cannot be provided by RUS.
8. **Accounting Services** – It will be necessary for you to obtain the services of a qualified accountant. The accountant must agree to develop and provide the following:

- a. All necessary accounting material required by the Public Service Commission of West Virginia (Rule 42 Exhibit).
- b. Prior to loan closing, your accountant must certify that the accounts and records as required by your bond ordinance have been established and are operational.

The Accountant's Agreement should be submitted to RUS for review. Compensation in the contract should include only those services identified above and not include payment for construction management services from the accountant unless RUS concurrence is obtained.

RUS regulations noted above outline requirements for the submission of management reports and audits. Appropriate state statutes place certain audit requirements on the City. "Government Auditing Standards (Revised 2007)", which may be accessed at www.gao.gov/govaud/ybk01.htm, and RUS Bulletins 1780-30 and 1780-31, which may be accessed at our agency website listed above, outline audit requirements.

You are reminded that certain provisions of the Office of Management and Budget Circular A-133 are applicable to any public body or nonprofit association that expends \$500,000 or more in federal funds in any one fiscal year. You must enter into an agreement annually with an accountant (or the State Tax Department) to perform the audit. The agreement must be in accordance with the requirements of the State Tax Commissioner of West Virginia. Compensation for preparation of the A-133 audit or your annual audit are not included in project funds and should be paid from the operational revenues generated from your system operation.

9. **Facility Control** – Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Such evidence must be in the following form:
 - a. A right-of-way map showing clearly the location of all lands and rights needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.
 - b. A copy of deeds, contracts or options for any lands needed other than rights-of-way, along with a preliminary title opinion covering such lands. Form RD 1927-9, "Preliminary Title Opinion" may be used. In the case of your existing system or where the City already acquired real property

(land or facilities), a preliminary title opinion(s) concerning all such property(s) will be provided.

- c. A narrative opinion from your attorney concerning all permits, certifications and other items necessary to show that all legal requirements can be met and stating how they will be met. This narrative should also identify any condemnation proceedings that are anticipated and state how they will be handled.
- d. A certification and legal opinion relative to title to rights-of-way and easements. Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way," may be used. This form may contain a few exceptions such as properties that must be condemned; however, prior to the start of construction or loan closing, whichever occurs first, a new Form RD 442-22, must be provided which does not provide for any exceptions. The attorney's legal opinion should include a certification that all requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and West Virginia State Code Chapter 54 have been met in the acquisition of both real property and rights-of-way. Such requirements may include, but are not limited to, distributing informational material to all affected property owners, and completing appraisals of the affected properties.
- e. On the day of loan closing, the City's attorney must furnish final title opinions on all land(s) being acquired. Form RD 1927-10, "Final Title Opinion" may be used. In the case of your existing system or where the City has already acquired real property(s) (land or facilities), the City's attorney will provide a separate final title opinion(s) covering such property(s) on the day of loan closing.

10. **Permits** – Copies of all permits needed for the project must be provided for review prior to advertisement for construction bids. Such permits will include but are not limited to the following:

- West Virginia Department of Highways
- State Department of Health
- Department of Environmental Protection
- Public Land Corporation

11. **Public Service Commission Approvals** – You must obtain the following from the West Virginia Public Service Commission:

- a. A Certificate of Convenience and Necessity.

- b. Approval of user charges that are acceptable to you and the Rural Utilities Service.
- c. Approval of financing for the project's proposed financing arrangements.

The "Rule 42" Exhibit to be attached to the Public Service Commission application must contain at least the information shown in Attachment No. 1. A copy of the Public Service Commission application and its "Rule 42" Exhibit must be provided for review.

12. **Insurance and Bonding** - Prior to loan closing or start of construction, whichever occurs first, you must acquire the types of insurance and bond coverage shown below. The use of deductibles may be allowed providing you have the financial resources to cover potential claims requiring payment of the deductible. RD strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of RD to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.

- a. General Liability Insurance – This should include vehicular coverage.
- b. Workers' Compensation – In accordance with appropriate State laws.
- c. Position Fidelity Bond(s) – All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. As a good business practice you will probably wish to have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. During the construction phase of your project, this maximum amount will be much greater than normal; therefore, it is our recommendation that you temporarily increase your coverage to an amount equal to the estimated highest monthly construction drawdown. Once construction is complete, you may decrease the amount of your coverage. Please note that the cost of the temporary increase in coverage is an eligible project cost.

The minimum coverage acceptable to RUS once your project is in operation will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s).

- d. Real Property Insurance – Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein. This does not apply to water reservoirs,

standpipes, elevated tanks or noncombustible materials used in treatment plants, clearwells, filters and the like.

13. **Environmental Requirements** –

- a. **Mitigation** – At the conclusion of the proposal's environmental review process, specific actions were negotiated with environmental regulatory officials to avoid or minimize adverse environmental impacts. Those actions(s) are required for successful completion of the project and must be adhered to during project design and construction.
- b. **Project Modifications** – The project as proposed has been evaluated to be consistent with all applicable environmental requirements. If the project or any project element deviates from or is modified from the original approved project, additional environmental review may be required.

14. **Vulnerability Assessments (VA) and Emergency Response Plans (ERP)** –

Congress enacted the Public Health Security and Bioterrorism Preparedness Response Act of 2002, Public Law 107-188 (Bioterrorism Act). The Bioterrorism Act amended the Safe Drinking Water (SDWA) to require all medium and large sized community water systems (serving populations greater than 3,300) to assess vulnerability to terrorist attack and develop emergency plans for response to such an attack. Medium and large community water systems are being monitored by the U.S. EPA for completion of VA's and ERP's.

Rural Development requires all financed water and wastewater systems to have a vulnerability assessment (VA) and an emergency response plan (ERP) in place. New water or wastewater systems must provide a certification that an ERP is complete prior to the start of operations. A certification that a VA is complete must be submitted within one year of the start of operations. All other borrowers must provide a certification that a VA and ERP are complete prior to bid authorization.

You will also be required to provide a certification that the VA and ERP is complete and is current every three years after the start of operations. RD does not need or want a copy of the VA or ERP. The requested certification will be sufficient to meet our needs. Technical assistance providers are available to provide you with on site assistance if desired.

15. **Civil Rights & Equal Opportunity** – You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

Section 504 of the Rehabilitation Act of 1973 – Under section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving RD financial assistance.

Civil Rights Act of 1964 – All borrowers are subject to, and facilities must be operated in accordance with, title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and subpart E of part 1901 of this title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this title.

The Americans with Disabilities Act (ADA) of 1990 – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by State and local public entities which provides services, programs and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities which accommodate the public.

Age Discrimination Act of 1975 – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

RD financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

16. Contract Documents, Final Plans and Specifications --

a. The contract documents should consist of the following:

- (1) EJCDC Document No. C-521, 2002 Edition, "Suggested Form of Agreement between Owner and Contractor on the Basis of Stipulated Price" and EJCDC Document No. C-710, 2002 Edition, "Standard General Conditions of the Construction Contract – Funding Agency Edition" and Attachments. The EJCDC document is issued under copyright and cannot be provided by RUS.
- (2) "RUS Supplemental General Conditions."

- (3) "Labor Standards Provisions" – Title 29, Subtitle A, Part 5, Section 5.5, Contract Provisions and Related Matters. One copy of this item is attached hereto (Attachment No. 8). Additional copies must be reproduced by the engineer.

RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Standard Documents on Water and Waste Projects with RUS Financial Assistance (September 10, 2003 Version)," must be used by your engineer in the preparation of the contract documents.

- b. The contract documents must provide, as a minimum, the following insurance:
 - (1) Liability Insurance – Personal Liability - \$500,000; Property Damage - \$200,000 - \$200,000. This coverage must include indemnification of the City and its engineer. EJCDC Document C-710, "Standard General Conditions of the Construction Contract" (Funding Agency Edition) and Exhibit G to RUS Bulletin 1780-26, "Supplementary Conditions" both suggest certain limits of liability for insurance coverage. Those limits should be considered as minimum requirements only. It is recommended you consider increasing the given limits of liability after analyzing your specific needs.
 - (2) Builder's Risk Insurance – On all structures and mechanical and electrical equipment in place or stored on the site to the full insurable value thereof.
 - (3) Workers' Compensation – In accordance with applicable State laws.
- c. The contract documents and final plans and specifications must be submitted to RUS for approval.
- d. The project must be designed in compliance with Section 504 of the Rehabilitation Act of 1973.

17. State Prevailing Wage Law - You should ensure that all requirements of Article 5A of the West Virginia State Prevailing Wage Law, "Wages for Construction of Public Improvements" are met during construction of the project.
18. Disbursement of Funds – The RUS funds will be advanced as they are needed in the amount(s) necessary to cover the RUS proportionate share of any

disbursements required of the City, over 30 day periods. Funds will be disbursed by electronic transfer of funds.

Any RD grant funds not disbursed immediately upon receipt must be deposited in an interest bearing account except as follows:

- a. Federal grant awards (includes all federal funding sources) are less than \$120,000 per year.
- b. The best available interest bearing account would not be expected to earn in excess of the following:

Interest earned on grant funds in excess of \$100 per year will be submitted to RUS at least quarterly as required in 7 CFR 3016.

- c. The depository would require a minimum balance so high that it would not be feasible.

The City will establish a separate fund, to be known and hereafter referred to as the Construction Account, with a lending institution insured by the Federal Deposit Corporation. The account shall be used solely for the purpose of paying the costs of the project as outlined in the construction budget. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the Construction Account. All deposits in excess of \$250,000 will be secured by a collateral pledge in accordance with Treasury Circular Number 176.

The City must assure that all project funds are expended only for the eligible items included in the final project budget or as may be later approved by RUS.

19. At a properly called meeting, you must adopt and properly execute the following forms, and minutes showing the adoption must be provided:

Form RD 1940-1 – “Request for Obligation of Funds”
RUS Bulletin 1780-27 – “Loan Resolution (Public Bodies)”
Certification of Compliance
Form RD 1942-46, “Letter of Intent to Meet Conditions”

20. The enclosed Water and Waste Processing Checklist (Attachment No. 2) outlines the items needed to complete the loan docket. All the items listed must be included in the loan docket when it is forwarded to the USDA – Rural Development State Office with a request for loan closing instructions to be issued.

21. Upon receipt of the loan docket, which contains all the items required above, RUS may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide RUS with (a) a bid tabulation, (b) recommendations from you and your engineer as to the acceptability of the bids received, and (c) your recommendations for contract awards. If all parties then agree the construction bids received are acceptable, it is determined that adequate funds are available to cover the total facility costs, and that all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met before the loan can be closed. When all parties agree that the closing requirements can be met, a mutually acceptable date for the loan closing will be scheduled.

Any applicant contribution shall be considered as the first funds expended. After providing for all authorized costs, any remaining RUS project funds will be considered to be RUS loan funds and would be applied as an extra payment toward the loan balance.

If the conditions set forth in this letter are not met within twelve (12) months from the date hereof, RUS reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within the twelve-month period and it is determined the authority still wishes to proceed, it will be necessary that the proposed budget be reviewed again in detail. If during that review, it is determined the budget is no longer current and/or adequate, RUS reserves the right to require that it be revised or replaced.

We believe the information herein clearly sets forth the actions which must be taken; however, if you have any questions, please do not hesitate to contact me.

Sincerely yours,

Susan L. Newzomer 5/12/09
for DIANNE GOFF CRYSLER
Acting State Director

enclosures

cc: Area Director
Parkersburg, WV

Cerrone Associates, Inc.
Wheeling, WV

Frederick E. Gardner, Esquire
Moundsville, WV

Project Construction Budget

<u>PROJECT COST</u>	<u>RUS LOAN</u>	<u>TOTAL</u>
CONSTRUCTION	\$ 1,200,000	\$ 1,200,000
CONST. CONTINGENCY	\$ 120,000	\$ 120,000
LAND & RIGHTS	\$ 10,000	\$ 10,000
LEGAL FEES	\$ 5,000	\$ 5,000
BOND COUNSEL	\$ 20,000	\$ 20,000
ACCOUNTING	\$ 10,000	\$ 10,000
ENGINEERING FEES	\$ 186,000	\$ 186,000
Basic - \$110,000		
Insp. - \$66,000		
Special - \$10,000		
INTEREST	\$ 84,000	\$ 84,000
PROJECT CONTG.	\$ 30,000	\$ 30,000
TOTAL	\$ 1,665,000	\$ 1,665,000

Rates

Available for general domestic, commercial, and industrial service.

First	2,000	gallons @	\$	9.30	per M gallons
Next	3,000	gallons @	\$	4.85	per M gallons
Next	5,000	gallons @	\$	4.22	per M gallons
Over	10,000	gallons @	\$	3.81	per M gallons

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	\$	18.60	per month
3/4"	meter	\$	27.90	per month
1"	meter	\$	46.50	per month
1 1/2"	meter	\$	93.00	per month
2"	meter	\$	148.80	per month
3"	meter	\$	279.00	per month
4"	meter	\$	465.00	per month
6"	meter	\$	930.00	per month
8"	meter	\$	1,488.00	per month

Minimum Monthly Bill \$ 18.60 for 2,000 gallons

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: August 6, 2010

FINAL

8/26/2010

CASE NO. 10-0278-W-CN

CITY OF GLEN DALE,
a municipal utility, Marshall County.
Application for a certificate of
convenience and necessity to construct
certain additions and improvements to
existing waterworks system, and for
approval of the financing thereof.

RECOMMENDED DECISION

PROCEDURE

On March 4, 2010, the City of Glen Dale (City) filed a duly verified application for a certificate of public convenience and necessity with the Public Service Commission seeking approval to construct additions and improvements to its waterworks system, consisting of repainting and repairing the 500,000-gallon Main Tank; replacement of the 50,000-gallon Skyline Tank with a new 105,000-gallon tank; replacement of a hydro-pneumatic booster station at the Skyline Tank with a new hydro-constant booster station; rehabilitation of the creek crossing for the existing 8-inch water line along Grave Creek Road; the upgrade of water lines in the Lindy Lane, Sun Valley and Sixth Street areas to improve capacity and eliminate line maintenance; and the construction of appurtenances related thereto. According to the application, the project is estimated to cost \$1,665,000 and will be funded by a loan from the United States Department of Agriculture in the amount of \$1,665,000 for a term of 38 years at 4.625% interest. Also according to the application, the proposed project will not require interim financing. Rates to support the project were adopted by city ordinance on February 22, 2010.

By Order of the Commission entered on March 4, 2010, the City was ordered to publish a Notice of Filing regarding its project in a qualified newspaper, as provided in W. Va. Code §59-3-1, et seq., published and of general circulation in Marshall County. Additionally, the City was ordered to provide the Commission with proper certification of the publication of the Notice of Filing.

On March 29, 2010, the City filed an affidavit of publication confirming that the Notice of Filing for its certificate application was

published in the Moundsville Daily Echo on March 10, 2010, as a Class I legal advertisement.

On April 2, 2010, Commission Staff filed its Initial Joint Staff Memorandum advising the Commission that it had began its review of the certificate application and that it would submit a final recommendation regarding the matter consistent with the Commission's required time frame.

By Order of the Commission entered on April 14, 2010, this matter was referred to the Division of Administrative Law Judges with a decision due date of August 16, 2010.

On May 26, 2010, Commission Staff filed its Final Joint Staff Memorandum in this case. Among other things, Commission Staff recommended that the certificate application be approved.

On June 8, 2010, the City filed a response to Staff's Final Joint Staff Memorandum. The City stated that it has no objections to any of Staff's recommendations and supported Staff's request that an Order be entered incorporating those recommendations.

DISCUSSION

According to the certificate application, the City owns and operates a waterworks system which currently serves approximately 1,033 customers within its service territory located in Marshall County, West Virginia. If the proposed project is approved, it will improve system performance, reduce operation and maintenance costs, and provide necessary repairs to the City's water infrastructure. No new customers will be added as a result of the proposed project. The project is necessary due to a large number of system leaks resulting in high water losses and high operation and maintenance costs for specific sections of the City's system. The instant project will target the known troublesome areas and will help to alleviate these problems. Although no new customers will be added as a result of the project, the scope of the project involves repairs to mains and to the main storage tanks and other areas on the system which will benefit all of the City's customers in that they will receive improved service reliability, better water pressure, enhanced fire flows and improved water quality. Additionally, the City and its customers will benefit from the lower maintenance and operating costs associated with the line replacements proposed in the application.

According to Engineering Staff, the total cost of engineering design and project inspection services is approximately 14.7% of the total construction cost. When compared to other types of projects, Engineering Staff is of the opinion that these fees are acceptable in light of the size and level of complexity of the City's system replacement project.

There will be no increase in operation and maintenance costs associated with the project. In fact, as noted by Engineering Division Staff the overall level of system O&M costs should decrease somewhat once the project is completed due to the abatement of leakage. Engineering Staff also confirmed that the project plans and specifications received approval from the West Virginia Bureau for Public Health, Environmental

Engineering Division, by its issuance of Permit No. 18,470 on December 16, 2009. Engineering Staff recommended approval of the certificate application contingent upon the receipt of all necessary federal, state and local permits and approvals for the proposed construction.

Financial Staff noted that the actual interest rate for the USDA loan will be the lower of the rate in effect at the time of the loan approval or the time of the loan's closing. The interest rate provided in the application is for planning purposes. Additionally, the first two years of payment will be interest only. The annual principal and interest payments will total \$93,312. An additional 10% will need to be applied to the loan's debt service. The funding commitment letter is contained in the case file. Furthermore, the rates adopted by the City on February 22, 2010, are expected to provide the City with an additional 7.11% in operating revenues, with a cash surplus of \$23,003, and debt service coverage of 125.2%.

As related in the procedural history of this case, the City of Glen Dale filed an affidavit of publication in this matter which confirmed that the Notice of Filing was published on March 10, 2010. As of today's date, no protest has been received in response to that publication. Accordingly, any decision entered in this case may be issued without hearing pursuant to W. Va. Code §24-2-11.

Since, after investigation and review, Commission Staff determined that the project is both convenient and necessary, the undersigned will approve the certificate application subject to the conditions noted by Staff since the City has raised no objection thereto.

FINDINGS OF FACT

1. On March 4, 2010, the City of Glen Dale filed a duly verified certificate application pursuant to W. Va. Code §24-2-11 seeking consent and approval to construct certain additions and improvements to its existing waterworks system and for approval of the financing for the project associated therewith. This project was not approved by the West Virginia Infrastructure and Jobs Development Council. (See, certificate application filed March 4, 2010; Final Joint Staff Memorandum filed May 26, 2010).

2. The project will be financed by a United States Department of Agriculture loan in the amount of \$1,665,000 for a term of 38 years at 4.625% interest. The commitment letter for the loan is contained in the case file. (See, May 26, 2010 Final Joint Staff Memorandum; case file generally).

3. In anticipation of borrowing the money from the USDA to fund its project, the City of Glen Dale adopted an ordinance on February 22, 2010, which increased its annual revenues by \$26,101, and will provide a cash surplus of \$23,003 and debt service coverage of 125.2%. (See, May 26, 2010 Final Joint Staff Memorandum and attachment).

4. The City's existing water system includes a substantial amount of line which is aged and known to experience a large number of leaks, resulting in high water losses and high O&M costs. The proposed project

will replace lines in those trouble areas. Also, the City's Skyline Tank is decaying and is of insufficient size for the City's current needs. It will be replaced by a larger tank. The City's Main Tank, which hasn't been painted in 29 years, and needs significant maintenance, will be cleaned, repaired and repainted. Further, the hydro-pneumatic booster station at the Skyline Tank, which is inefficient, will be replaced with a modern constant-pressure system which will be more efficient and will reduce power costs. (See, May 26, 2010 Final Joint Staff Memorandum and attachment).

5. After investigation and review, Commission Staff recommended that the certificate application be approved by the Commission. Once constructed, the project will help abate high water loss, high O&M costs, improve water pressure, water service and reliability, since the project includes, in part, the repairing of mains and main storage tanks and the replacement of a decaying storage tank and antiquated lines. (See, May 26, 2010 Final Joint Staff Memorandum and attachment).

6. The West Virginia Bureau for Public Health issued Permit No. 18,470 for the project on December 16, 2009. Commission Staff determined that the plans and specifications contained no conflicts with the Commission's Water Rules. (See, May 26, 2010 Final Joint Staff Memorandum and attachment).

7. An affidavit of publication confirming that the City had published notice of its certificate application was filed with the Commission on March 29, 2010. According to the affidavit, publication of the project took place in the Moundsville Daily Echo as a Class I legal advertisement on March 10, 2010. As of today's date, no protest has been filed in response to that publication. (See, affidavit filed March 29, 2010; case file generally).

CONCLUSION OF LAW

It is reasonable to grant the certificate application since the project is both convenient and necessary. The project will allow the City to construct certain additions and improvements to its existing waterworks system which will result in abatement of leakage on the system, improve service to the City's existing customers and reduce operation and maintenance costs. Additionally, the project is convenient because the City adopted an ordinance on February 22, 2010, and the rates and charges will provide sufficient cash surplus and debt service coverage for the new loan that supports the project.

ORDER

IT IS, THEREFORE, ORDERED that the duly verified certificate application filed on March 4, 2010, by the City of Glen Dale, pursuant to West Virginia Code §24-2-11, to construct certain additions and improvements to its existing waterworks system in order to provide improved water service to its customers residing in Marshall County, West Virginia, at an estimated cost of \$1,665,000, be, and hereby is, granted.

IT IS FURTHER ORDERED that the financing for the project, consisting of a United States Department of Agriculture loan in the amount of \$1,665,000 for a term of 40 years at 4.625% interest, be, and hereby is, approved.

IT IS FURTHER ORDERED that the City of Glen Dale obtain additional Commission approval, prior to construction, if the financing, plans or scope of the project changes since the project was not approved by the West Virginia Infrastructure Jobs and Development Council.

IT IS FURTHER ORDERED that, if a change in the project cost does not change project rates, no additional Commission approval is necessary; however, the City of Glen Dale will be required to file an affidavit executed by its certified public accountant, verifying that the City of Glen Dale's rates and charges are not affected.

IT IS FURTHER ORDERED that the City of Glen Dale file with the Commission a copy of the engineer's certified bid tabulations for all contracts awarded for the project and submit a copy of the Certificate of Substantial Completion issued for each construction contract associated with the project, as soon as they become available.

IT IS FURTHER ORDERED that the construction of this project shall not commence until the City of Glen Dale has received and filed with the Commission all necessary federal, state and local permits and approvals for the proposed construction.

IT IS FURTHER ORDERED that, if the project certificated herein requires the use of any West Virginia Department of Highways' rights-of-way, the City of Glen Dale follow all applicable rules and regulations of the Department of Highways regarding those rights-of-way.

IT IS FURTHER ORDERED that this case be, and it hereby is, 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 by electronic service upon all parties of record who have filed an e-service agreement with the Commission and by United States Certified Mail, return receipt requested, upon all parties of record who have not filed an e-service agreement with the Commission.

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.



Meyishi Pearl Blair
Administrative Law Judge

MPB:cdk
100278a.wpd



STEPTOE & JOHNSON
P.L.L.C.
ATTORNEYS AT LAW

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Charleston, WV 25326-1588
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www.stepto-johnson.com

Writer's Contact Information
(304) 353-8148 - Telephone
(304) 353-8180 - Facsimile
todd.swanson@stepto-johnson.com

March 29, 2010

VIA HAND DELIVERY

Sandra Squire, *Executive Secretary*
Public Service Commission of West Virginia
201 Brooks Street
Charleston, West Virginia 25323

Re: CASE NO.: 10-0278-W-CN
**CITY OF GLEN DALE,
MARSHALL COUNTY, WEST VIRGINIA**

Application for a certificate of convenience and necessity to construct certain additions and improvements to its existing waterworks system; and for approval of the financing thereof.

RECEIVED
10 MAR 29 PM 4:11
W VA PUBLIC SERVICE COMMISSION SECRETARY'S OFFICE

Dear Ms. Squire:

Enclosed herein for filing on behalf of the City of Glen Dale, please find the original and twelve (12) copies of an Affidavit of Publication evidencing publication of the Notice of Filing in the *Moundsville Daily Echo* on March 10, 2010.

I ask that you please file the enclosed affidavit and distribute the additional copies to the appropriate parties at the Commission. Additionally, please date stamp the file copy provided and return it with our messenger.

Thank you for your attention to this matter, and please contact me should you have any questions.

Sincerely,

Todd M. Swanson
WVSB No. 10509

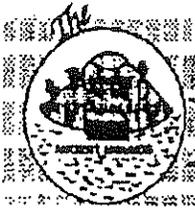
TMS

Enclosure

cc: Sean L. Orlofske, Superintendent (w/ enclosure)
Marc E. Abraham, CPA (w/o enclosure)
Manning Frymier, P.E. (w/o enclosure)

333190.00006

CH5368270.1



MOUNDSVILLE DAILY ECHO

SINCE 1891

(304) 845-2660
P.O. BOX 369
MOUNDSVILLE
WEST VIRGINIA
26041

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn upon my oath, do depose and say:

- that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a Republican newspaper;
- that I have been duly authorized to execute this affidavit;
- that such newspaper has been published for over 103 years, is regularly published afternoons daily except Sundays, for at least fifty weeks during the calendar year, in the municipality of Moundsville, Marshall County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in Art. 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive of any cover, per issue;
- that such newspaper is circulated to the general public at a definite price or consideration;
- that such newspaper is a newspaper to which the general public resorts for passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

PARTY(ies)

City of Glen Dale

NATURE (and agency if heard before one)

application PSC

CERTIF-BILL TO

T. Mollohan
 Steptoe & Johnson
 POB 1588
 Charleston WV 25326

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
one	March 10, 2010

BY WORDS	PUBLICATION CHARGES
861@.115	\$99.01

(signed)

Marian Walton

NOTARIZATION

244R

2010



Taken, sworn to and subscribed before me this _____ day of _____, 2010.

OFFICIAL SEAL
 NOTARY PUBLIC
 STATE OF WEST VIRGINIA
 LINDA M. MASSIE
 Moundsville Daily Echo
 P.O. Box 369
 Moundsville, West Virginia 26041

Notary public
Linda M. Massie

LEGAL ADVERTISEMENT

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA CHARLESTON,
Entered by the PUBLIC SERVICE
COMMISSION OF WEST VIRGINIA
in the City of Charleston, on the 4th day
of March 2010.

CASE NO. 10-0278-W-CN
CITY OF GLENDALE

Application for a certificate of convenience and necessity to construct certain additions and improvements to existing waterworks system, and for approval of the financing thereof.

NOTICE OF FILING

On March 4, 2010, the City of Glendale (City) filed an application, duly verified, for a Certificate to construct certain additions, improvements and extensions to its existing waterworks system, which is located in Marshall County, West Virginia. The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, Charleston, West Virginia.

The City estimates that construction is not expected to exceed \$1,665,000.00. It is proposed that construction be financed by a United States Department of Agriculture loan in the amount of \$1,665,000.00.

The City proposes to construct certain additions, betterments and improvements to its existing waterworks facilities consisting of repainting and repairing the 500,000 gallon Main Tank, replacing the 50,000 gallon Skyline Tank with a new 105,000 gallon tank, replacing the hydro pneumatic booster station at the Skyline Tank with a new hydro constant booster station, rehabilitating the creek crossing for the existing 8 inch water line along Little Grave Creek Road, upgrading water lines in the Lindy Lane, Sun Valley and Sixth Street areas to improve capacity and eliminate line maintenance, and appurtenances relating thereto (Project).

The City anticipates that the customers to be served by the Project will be charged the following increased rates and charges:

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for general domestic, commercial and industrial water service.

RATES (Customers with metered water supply)

First 2,000 gallons used per month,
\$8.44 per 1,000 gallons

Next 3,000 gallons used per month,
\$4.40 per 1,000 gallons

Next 5,000 gallons used per month,
\$3.83 per 1,000 gallons

PRIVATE FIRE PROTECTION SERVICE

Where connections, hydrants, sprinklers, etc. on private property are maintained by consumer

1 inch Service Line with hydrants, sprinklers, and or hose connections —
\$150.00 per annum

2 inch Service Line with hydrants, sprinklers, and or hose connections —
\$200.00 per annum

3 inch Service Line with hydrants, sprinklers, and or hose connections —
\$310.00 per annum

4 inch Service Line with hydrants, sprinklers, and or hose connections —
\$420.00 per annum

6 inch Service Line with hydrants, sprinklers, and or hose connections —
\$540.00 per annum

8 inch Service Line with hydrants, sprinklers, and or hose connections —
\$660.00 per annum

10 inch Service Line with hydrants, sprinklers, and or hose connections —
\$880.00 per annum

12 inch Service Line with hydrants, sprinklers, and or hose connections —
\$1,080.00 per annum

The City has no resale customers.

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing.

Pursuant to W. Va. Code §24-2-11, IT IS ORDERED that the City of Glendale give notice of the filing of said application, by publishing a copy of this order once in a qualified newspaper as provided in W. Va. Code §59-3-1 et seq, published and of general circulation in Marshall 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 modified by Commission order. Failure to timely protest or intervene can affect your 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 interven-

* All Over 10,000 gallons used per month, \$3.46 per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than \$16.88 per month.

5/8 inch meter - \$16.88 per month

3/4 inch meter - \$25.32 per month

1 inch meter - \$42.20 per month

1 1/2 inch meter - \$84.40 per month

2 inch meter - \$135.04 per month

3 inch meter - \$253.20 per month

4 inch meter - \$422.00 per month

6 inch meter - \$844.00 per month

8 inch meter - \$1,350.40 per month

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant:

A tap fee of \$500.00 will be charged to all customers who initially apply for new service.

RECONNECTION

A reconnection fee of \$50.00 is to be charged whenever the supply of water is turned off.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the City of Glen Dale or a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

LEAK ADJUSTMENT

\$1.71 per 1,000 gallons is 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 shall be applied to all such consumption above the customer's historical usage.

SECURITY DEPOSIT

Not to exceed one-twelfth (1/12) of the annual estimated charge for residential service or one-sixth (1/6) of the annual estimated charge for commercial service, or \$50.00, whichever is greater.

PUBLIC FIRE PROTECTION

The fee for a public fire hydrant is \$26.00 a month.

The City of Glen Dale shall pay a public fire service fee of \$1,326.00 per month which shall cover all of the hydrants and fire facilities existing within the City of Glen Dale.

All of the public hydrants located outside of the City of Glen Dale shall be paid for by the users who are located outside of the City of Glen Dale on a pro-rated basis.

tions should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323.

IT IS FURTHER ORDERED that if there is no substantial protest to the Application received within said thirty day period, the Commission may waive formal hearing and grant the application based on the evidence submitted with said application and its review thereof.

A True Copy, Teste

/s/Sandra Squire

Sandra Squire

Executive Secretary

PUBLISH: March 10, 2010.

LEGAL ADVERTISEMENT

IN THE FAMILY COURT OF MARSHALL COUNTY, WEST VIRGINIA

Misty Davis

Petitioner

v.

Joshua Vetanze

Respondent

Family Court Civil Action No. 10-DV-31

Magistrate Court Case No. 10-D-32

ORDER OF PUBLICATION (DOMESTIC VIOLENCE)

1. The object of this suit is to obtain protection from domestic violence.

2. The object of this publication by Class I legal advertisement is to notify Respondent of the domestic violence protective ORDER prohibiting the above-named Respondent from abusing, harassing, stalking, threatening, intimidating or engaging in conduct that places Petitioner and/or the child(ren) and/or incapacitated person(s) named in the ORDER in reasonable fear of bodily injury.

TO THE ABOVE-NAMED RESPONDENT:

It appearing by evidence duly taken in this action that you could not be found in or that you have left the State of West Virginia, you are hereby notified of the above-referenced ORDER. Either party may request a final hearing before the family court. A final hearing may already be scheduled in this case. The final hearing may result in the issuance of a protective order and will be held whether or not you appear. Hearing set for March 26, 2010 at 11:00 a.m.

March 5, 2010

/s/ David R. Ealy/SRG

Clerk

PUBLISH: March 10, 2010.

FORM APPROVED
OMB No. 0750-015
COPY**LOAN RESOLUTION**
(Public Bodies)A RESOLUTION OF THE _____ City CouncilOF THE _____ Glen Dale, City ofAUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING
PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS
Water

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO

WHEREAS, it is necessary for the _____ Glen Dale, City of
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

ONE MILLION SIX HUNDRED SIXTY-FIVE THOUSAND AND XX / 100 DOLLARS (\$1,665,000.00)pursuant to the provisions of _____ Chapter 8 Article 19, West Virginia Code ; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

- 11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
- 12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
- 13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
- 14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities, and replacement of short lived assets.
- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
- 16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
- 17. To accept a grant in an amount not to exceed \$ 0.00

under the terms offered by the Government; that Mayor

and City Clerk of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

Yeas 5 Nays 0 Absent 0

IN WITNESS WHEREOF, the City Council of the

Glen Dale, City of has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this 8th day of June, 2009

Glen Dale, City of

(SEAL)

By David W. Blye
Title MAYOR

Attest: Susan Singleton
Susan Singleton
Title City Clerk

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as City Clerk of the Glen Dale, City of

hereby certify that the City Council of such Association is composed of

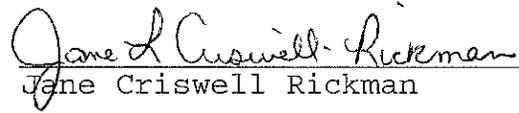
5 members, of whom, 5 constituting a quorum, were present at a meeting thereof duly called and

held on the 8th day of June, 2009; and that the foregoing resolution was adopted at such meeting

by the vote shown above, I further certify that as of April 21, 2011,

the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this 21st day of April, 2011


Jane Criswell Rickman

Title City Clerk

CITY OF GLEN DALE

Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

RECEIPT FOR BOND

The undersigned, authorized representative of the United States Department of Agriculture, Rural Utilities Service, for and on behalf of the United States of America (the "Purchaser"), hereby certifies as follows:

1. On the 21st day of April, 2011, at Glen Dale, West Virginia, the undersigned received for the Purchaser the single, fully registered City of Glen Dale Water Revenue Bonds, Series 2011 A (United States Department Agriculture), No. AR-1 (the "Series 2011 A Bonds"), in the principal amount of \$1,665,000, dated as of the date hereof, bearing interest at the rate of 4.625% per annum, and payable in monthly installments as stated in the Bond.
2. At the time of such receipt, the Series 2011 A Bonds had been executed and sealed by the designated officials of the City of Glen Dale (the "Issuer").
3. At the time of such receipt, there was paid to the Issuer the sum of \$120,900 being a portion of the principal amount of the Series 2011 A Bonds. The balance of the principal amount of the Series 2011 A Bonds, will be paid to the Issuer as acquisition and construction of the Project progresses.

WITNESS my signature on this 21st day of April, 2011.


Authorized Representative

03.23.11
333190.00004

SPECIMEN

CITY OF GLEN DALE

WATER REVENUE BONDS, SERIES 2011 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

\$1,665,000

No. AR-1

Date: April 21, 2011

FOR VALUE RECEIVED, CITY OF GLEN DALE (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, 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 ONE MILLION SIX HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$1,665,000), plus interest on the unpaid principal balance at the rate of 4.625% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of this Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof, and \$7,776, covering principal and interest, thereafter on said corresponding 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, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided herein below. 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 Record of Advances attached hereto as a part 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 Government 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 acquisition and construction of additions, betterments and improvements to the waterworks system (the "System") of Borrower, is payable solely from and secured by the revenues to be derived from the operation of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation, nor shall the Borrower be obligated to pay the same or the interest thereon except from the special fund so provided.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of Borrower, as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions of the Act, is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but may only be transferred by transfer of registration hereof with the Bond Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (herein called the "Act"), and an Ordinance of Borrower duly enacted on March 14, 2011 and a Supplemental Resolution duly adopted by the Issuer on March 28, 2011, authorizing issuance of this Bond (collectively, the "Ordinance").

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 given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act of 1965, as amended. This Bond shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATER REVENUE BONDS, SERIES 1998 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), DATED AUGUST 26, 1998, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$500,000 (THE "SERIES 1998 A BONDS" OR THE "PRIOR BONDS").

In accordance with the requirements of the United States Department of Agriculture, 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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, CITY OF GLEN DALE has caused this Bond to be executed by its Mayor and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Recorder, all as of the date hereinabove written.

CITY OF GLEN DALE

[CORPORATE SEAL]

David W. Byer

Mayor

402 Wheeling Avenue
Glen Dale, West Virginia 26038

ATTEST:

Gerald H. Spumhush

Recorder

SPECIMEN

SPECIMEN

EXHIBIT A
RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$120,900	04/21/2011	(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 \$ _____

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to _____
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 Borrower with
full power of substitution in the premises.

Dated: _____, 20____.

In presence of:

CITY OF GLEN DALE

WATER REVENUE BONDS, SERIES 2011 A
(UNITED STATES DEPARTMENT OF AGRICULTURE)

\$1,665,000

REGISTRATION BOOKS

(No writing on these Books except by the Issuer as Registrar)

Bond No.	Date of Registration	In Whose Name Registered	Signature of Secretary of Registrar
AR-1	April 21, 2011	United States Department of Agriculture	

03.23.11
333190.00004

April 21, 2011

City of Glen Dale
Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

City of Glen Dale
Glen Dale, West Virginia

United States Department of Agriculture
Ripley, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Glen Dale, in Marshall County, West Virginia (the "Issuer"), of its \$1,665,000 Water Revenue Bonds, Series 2011 A (United States Department of Agriculture), dated the date hereof (the "Series 2011 A Bonds"), pursuant to Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance of the Issuer duly enacted on March 14, 2011, as supplemented by Supplemental Resolution duly adopted on March 28, 2011 (collectively, the "Bond Legislation"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Bond Legislation 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, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a municipal corporation and political subdivision of the State of West Virginia with full power and authority to adopt and enact the Bond Legislation, perform the agreements on its part contained therein and issue and sell the Series 2011 A Bonds, pursuant to the provisions of the Act and other applicable provisions of law.

2. The Bond Legislation has been duly adopted and enacted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.

3. Pursuant to the Act, the Bond Legislation creates a valid lien on the Gross Revenues of the System for the security of the Series 2011 A Bonds on a parity with the Issuer's Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, issued in the original aggregate principal amount of \$500,000 (the "Prior Bonds"). Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which rank prior to or on a parity with the Series 2011 A Bonds as to liens, pledge and/or source of and security for payment.

4. The Series 2011 A Bonds have been duly authorized, executed and delivered by the Issuer and is a valid and binding special obligation of the Issuer, payable solely from the sources provided therefor in the Bond Legislation.

5. The Series 2011 A 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; therefore, the interest on the Series 2011 A Bonds is not excluded from gross income for federal income tax purposes. We express no opinion regarding other federal tax consequences arising with respect to the Series 2011 A Bonds.

6. The Series 2011 A Bonds are, under the Act, exempt from all taxation by the State of West Virginia, and the other taxing bodies of said State, and interest on the Series 2011 A Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

It is to be understood that the rights of the holder of the Series 2011 A Bonds and the enforceability of the Series 2011 A Bonds, 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 the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,


STEPTOE & JOHNSON PLLC



GARDNER LAW OFFICES

509 SEVENTH STREET

P. O. Box 399

MOUNDSVILLE, WEST VIRGINIA 26041

(304) 845-5100

FAX (304) 845-5102

FREDERICK E. GARDNER
JEREMIAH L. GARDNER

J. W. RICKEY (1903-1980)
JOHN K. CHASE (1907-1983)
RAYMOND R. HYRE (1927-1990)
J. K. CHASE (1932-1996)

April 21, 2011

City of Glen Dale
Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

City of Glen Dale
Glen Dale, West Virginia

United States Department of Agriculture
Ripley, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to City of Glen Dale, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"). As such counsel, we have examined a copy of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a bond ordinance of the Issuer duly enacted on March 14, 2011 and a Supplemental Resolution duly adopted by the Issuer on March 28, 2011 (collectively, the "Bond Legislation"), and other documents and papers relating to the Issuer and the above-captioned Bonds of the Issuer (the "Bonds"). Terms used in the Bond Legislation and not otherwise defined herein shall have the same meanings as in the Bond Legislation when used herein.

We are of the opinion that:

1. The Issuer is duly created and validly existing as a municipal corporation and a political subdivision of the State of West Virginia.
2. The Mayor, Recorder and members of the Council of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

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

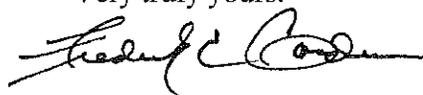
4. The execution and delivery of the Bonds and the consummation of the transactions contemplated by the Bonds and the Bond Legislation, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any agreement, document or instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, rule, order or decree to which the Issuer is subject.

5. All permits, licenses, approvals, consents, certificates, orders, exemptions 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 orders, certificates, consents and approvals from the Public Service Commission of West Virginia, and the Issuer has duly taken any action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges, the time for appeal of which has expired prior to the date hereof without appeal.

6. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transaction contemplated by the Bonds and the Bond Legislation, the acquisition and construction of the Project, the operation of the System, or the validity of the Bonds, or the collection or pledge of the Gross Revenues therefor.

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

Very truly yours.

A handwritten signature in black ink, appearing to read "Fred C. Bond", written in a cursive style.



Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.step-toe-johnson.com

Writer's Contact Information

April 21, 2011

City of Glen Dale
Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

City of Glen Dale
Glen Dale, West Virginia

United States Department of Agriculture
Ripley, West Virginia

StepToe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are special PSC counsel to the City of Glen Dale, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"). As such counsel, we have represented the Issuer before the Public Service Commission of West Virginia in connection with the issuance of the above-referenced bonds, and the acquisition and construction of the Project. We are of the opinion that the Issuer has received all orders, certificates and authorizations from the Public Service Commission of West Virginia necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the implementation of rates and charges, and the Issuer has taken any other action required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has received a Recommended Decision of the Public Service Commission of West Virginia entered August 6, 2010, which became Final Order on August 26, 2010 in Case No. 10-0278-W-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 Order has expired prior to the date hereof.

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

Very truly yours,

A handwritten signature in black ink, appearing to read 'StepToe & Johnson PLLC'. Below the signature, the text 'STEP TOE & JOHNSON PLLC' is printed in a bold, sans-serif font.

01.19.11
333190.00004

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CITY OF GLEN DALE

Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

COMBINED CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. AUTHORIZATION AND AWARD OF BOND
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. PUBLICATION AND NO PROTEST
5. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
6. SIGNATURES, ETC.
7. CERTIFICATION OF COPIES OF DOCUMENTS
8. INCUMBENCY AND OFFICIAL NAME, ETC.
9. DELIVERY AND PAYMENT AND USE OF PROCEEDS
10. LAND AND RIGHTS OF WAY
11. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.
12. CONTRACTORS' INSURANCE, ETC.
13. CONNECTIONS, ETC.
14. MANAGEMENT
15. CONFLICT OF INTEREST
16. PROCUREMENT OF ENGINEERING SERVICES
17. EXECUTION OF COUNTERPARTS

We, the undersigned MAYOR and RECORDER of City of Glen Dale, in Marshall County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the Issuer, acting for the Issuer and in its name, hereby state and certify on this 21st day of April, 2011, in connection with the City of Glen Dale Water Revenue Bonds, Series 2011 A (United States Department of Agriculture), No. AR-1, fully registered, dated the date hereof, in the principal amount of \$1,665,000, and bearing interest at the rate of 4.625% per annum (the "Series 2011 A Bonds") as follows:

1. AUTHORIZATION AND AWARD OF BOND: The undersigned are authorized to execute this certificate on behalf of the Issuer and are knowledgeable with respect to the matters set forth herein. The entire issue of the Series 2011 A Bonds have been duly awarded to the United States of America, acting by the United States Department of Agriculture, Rural Utilities Service (the "Purchaser"), pursuant to a Letter of Conditions from the Purchaser, dated May 12, 2009, as amended, and as appears in Section 7.03 of the Bond Ordinance duly enacted on March 14, 2011, as supplemented by Supplemental Resolution duly adopted by the Issuer on March 28, 2011, authorizing issuance of the Bond (collectively, the "Ordinance" or "Bond Ordinance"). Terms used herein and not otherwise defined herein shall have the same meaning as defined in the Bond Ordinance when used herein. The Series 2011 A Bonds are being issued on this date to permanently finance a

portion of the cost of acquisition and construction of the Project located within the boundaries of the Issuer and to pay costs of issuance thereof.

2. NO LITIGATION: No controversy or litigation of any nature is now pending, or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting the issuance and delivery of the Series 2011 A Bonds or receipt of any grant moneys committed for the System; nor questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Series 2011 A Bonds; nor in any way questioning or affecting the validity of the grants committed for the System or the Series 2011 A Bonds, or any provisions made or authorized for the payment thereof, including, without limitation, the pledge or application of the Gross Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the 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; nor questioning the existence, powers or proceedings of the Issuer or the Council of the Issuer (the "Governing Body") or the title of the members and officers thereof to their respective offices; nor questioning the operation of the waterworks system of the Issuer (the waterworks system, as improved and expanded by the Project, as defined in the Ordinance, is herein called the "System") or the acquisition and construction of the Project being financed in part out of the proceeds of sale of the Series 2011 A Bonds; nor questioning the rates and charges provided for services of the System

3. GOVERNMENTAL APPROVALS: All applicable and necessary approvals, permits, authorizations, registrations, exemptions, consents 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 Series 2011 A Bonds have been duly and timely obtained and remain in full force and effect, the time for appeal of which or rehearing having expired. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the Official West Virginia Code of 1931, as amended, which bids remain in full force and effect.

The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered on August 6, 2010 which became Final Order on August 26, 2010 in Case No. 10-0278-W-CN, 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 the Commission Order has expired prior to the date hereof. Such Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to such Order. Such Order remains in full force and effect.

The Issuer enacted water rates and charges for the System on February 22, 2010. The time for appeal of such rates has expired prior to the date hereof without any timely appeals having been filed.

4. PUBLICATION AND NO PROTEST: Notice of public hearing upon the Bond Ordinance as supplemented, was duly published as required by law.

There was not any protest to the passage of the Bond Ordinance, oral or written, and the Bond Ordinance became fully effective following the public hearing thereon and remains in full force and effect.

5. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer or the System since the approval by the Purchaser of a loan to assist in acquisition and construction of the Project.

The Issuer has outstanding its Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, issued in the original aggregate principal amount of \$500,000 (the "Series 1998 A Bonds" or the "Prior Bonds"). The Series 2011 A Bonds are payable from and secured by a first lien on the Gross Revenues of the System. The Series 2011 A Bonds shall be issued on a parity with the Series 1998 A Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

Prior to the issuance of the Series 2011 A Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Series 1998 A Bonds are met; and (ii) the written consent of the Holders of the Series 1998 A Bonds to the issuance of the Series 2011 A Bonds on a parity with the Series 1998 A Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues of the System.

The Issuer is not in default under the terms of the Prior Bonds, the ordinance and resolution authorizing the Prior Bonds or any document in connection therewith, and has complied with all requirements of all the foregoing with respect to the issuance of parity bonds or has obtained a sufficient and valid consent or waiver thereof.

6. SIGNATURES, ETC.: The undersigned Mayor and Recorder did, for the Issuer on the date hereof, officially execute and seal the Series 2011 A Bonds with the official corporate seal of the Issuer, an impression of which seal is on this certificate above our signatures and said officers are the duly elected or appointed (as applicable), qualified and serving officers as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Series 2011 A Bonds for the Issuer.

7. 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 Ordinance

Supplemental Resolution

Public Service Commission Orders

United States Department of Agriculture Loan Resolution

Specimen Series 2011 A Bond

Charter

Oaths of Office of Officers and Council Members

Resolution on Open Governmental Proceedings

Water Rate Ordinance

Affidavit of Publication on Rate Ordinance

Minutes on Adoption and Enactment of Rate Ordinance

Affidavit of Publication on Bond Ordinance

Minutes on Adoption and Enactment of Bond Ordinance

United States Department of Agriculture Letter of Conditions and Closing Instructions

Receipt of Depository Bank

Consent of Water Development Authority

8. INCUMBENCY AND OFFICIAL NAME, ETC.: The proper corporate title of the Issuer is the "City of Glen Dale." The Issuer is a municipal corporation in Marshall County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its council, consisting of a Mayor, a Recorder and 5 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
David Blazer, Mayor	July 1, 2010	June 30, 2014
Gerald Trembush, Recorder	July 1, 2010	June 30, 2014
Elliott Griswell	July 1, 2010	June 30, 2014
John Zinn	July 1, 2010	June 30, 2014
Larry English	July 1, 2010	June 30, 2014
Wayne Bero	July 1, 2010	June 30, 2014
Lewis Richmond	July 1, 2010	June 30, 2014

The duly appointed and acting Counsel to the Issuer is Frederick Gardner in Glen Dale, West Virginia and the duly appointed Special PSC Counsel is Steptoe & Johnson PLLC, Charleston, West Virginia.

9. DELIVERY AND PAYMENT AND USE OF PROCEEDS: On the date hereof, the Series 2011 A Bonds were delivered to the Purchaser at Glen Dale, West Virginia, by the undersigned Mayor for the purposes herein set forth, and at the time of such delivery, the Series 2011 A Bonds had been duly and fully executed and sealed on behalf of the Issuer in accordance with the Bond Ordinance.

At the time of delivery of the Series 2011 A Bonds, the amount of \$120,900 was received by the undersigned Mayor, being a portion of the principal amount of the Series 2011 A, the balance to be paid as acquisition and construction of the Project progresses.

The Series 2011 A Bond is dated the date hereof and interest on advances thereon at the rate of 4.625% per annum is payable from the date of each respective advance.

The Series 2011 A Bonds and the entire proceeds thereof will be used for the purposes herein set forth and for no other purposes.

10. 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, 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 Series 2011 A Bonds.

11. MEETINGS; PUBLICATION AND POSTING OF NOTICES, 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 acquisition, construction, operation and financing of the Project and the System were authorized, enacted or adopted at meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Charter of the Issuer and any 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 published and/or posted were so published and/or posted.

12. CONTRACTORS' INSURANCE, ETC.: All contractors will be required to maintain Workers' Compensation, public liability and property damage

insurance, and builder's risk insurance where applicable, in accordance with the Letter of Conditions of the Purchaser, as amended, and the Bond Ordinance.

13. CONNECTIONS, ETC.: The Issuer will serve at least 1,018 bona fide full time users of the System, upon completion of the Project, in full compliance with the requirements of the Purchaser.

14. MANAGEMENT: The Issuer has heretofore delivered to the Purchaser a plan concerning operation and management of the System, which plan was found to be acceptable by the Purchaser.

15. CONFLICT OF INTEREST: No 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 Bond, the Bond Ordinance and/or the Project, including, without limitation, with respect to the Depository Bank, as defined in the Bond Ordinance. 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.

16. 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.

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

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official corporate seal of CITY OF GLEN DALE on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

David W. Byer

Mayor

Gerald B. Trembush

Recorder

Thomas C. Coan

Counsel to Issuer

Stephan J. Allen PLLC

Special PSC Counsel

03.23.11
333190.00004

CITY OF GLEN DALE

Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

ENGINEER'S CERTIFICATE

I, Dominick Cerrone, Registered Professional Engineer, West Virginia License No. 014750, of Cerrone Associates, Inc., Wheeling, West Virginia, hereby certify this 21st day of April, 2011, that my firm is the engineer for the acquisition and construction of improvements to the existing waterworks system (the "Project") of the City of Glen Dale (the "Issuer"), to be acquired and constructed in Marshall County, West Virginia, which acquisition and construction are being financed in whole or in part by the above-captioned revenue bonds of the Issuer.

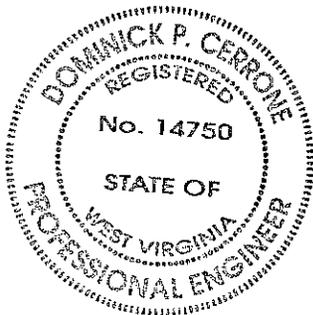
I further certify that the Project will, to the best of my knowledge, be constructed in accordance with plans and specifications prepared by my firm and that such system and Project are situate wholly or chiefly within the boundaries of the Issuer.

I further certify that the Project is adequate for the purposes for which it was designed and that all necessary governmental approvals, consents, authorizations, certificates and permits for the acquisition and construction thereof have been obtained or can and will be obtained.

WITNESS my signature on the day and year first written above.

CERRONE ASSOCIATES, INC.

(SEAL)



333190.00004



Dominick Cerrone, P.E.
West Virginia License No. 014750

**CITY OF GLEN DALE
WATER SYSTEM IMPROVEMENT PROJECT
FINAL PROJECT CONSTRUCTION BUDGET**

<u>PROJECT COST</u>	<u>RD LOAN</u>	<u>TOTAL</u>
CONSTRUCTION	\$ 1,192,517.75	\$ 1,192,517.75
CONST. CONTINGENCY	\$ 60,500.00	\$ 60,500.00
FUTURE CHANGE ORDERS	\$ 16,000.00	\$ 16,000.00
LAND & RIGHTS	\$ 10,000.00	\$ 10,000.00
LEGAL FEES	\$ 5,000.00	\$ 5,000.00
BOND COUNSEL	\$ 20,000.00	\$ 20,000.00
ACCOUNTING	\$ 5,000.00	\$ 5,000.00
ENGINEERING FEES	\$ 186,000.00	\$ 186,000.00
Basic - \$110,000		
Insp. - \$66,000		
Special - \$10,000		
PROPOSED ENG. ADDENDUM	\$ 2,500.00	\$ 2,500.00
DESIGN INTEREST	\$ 8,055.35	\$ 8,055.35
INTEREST	\$ 84,000.00	\$ 84,000.00
EQUIPMENT	\$ 42,500.00	\$ 42,500.00
PROJECT CONTG.	\$ 32,926.90	\$ 32,926.90
TOTAL	\$ 1,665,000.00	\$ 1,665,000.00

**Abraham & Company PLLC
Certified Public Accountants
400 Morton Avenue
P.O. Box 248
Moundsville, WV 26041
304-845-7914
Fax # 304-843-1905**

April 21, 2011

City of Glen Dale
Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

City of Glen Dale
Glen Dale, West Virginia

United States Department of Agriculture
Ripley, West Virginia

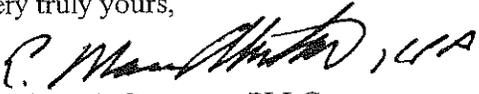
West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the water rate ordinance enacted by City of Glen Dale (the "Issuer") on February 22, 2010, and projected operation and maintenance expenses and anticipated customer usage as furnished to me by Cerrone Associates, Inc., consulting engineers, it is our opinion that such rates and charges will be sufficient to provide revenues which together with other revenues of the waterworks system (the "System") of the Issuer, will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Water Revenue Bonds, Series 2011 A (United States Department of Agriculture) (the "Series 2011 A Bonds"), and the Issuer's outstanding Water Refunding Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, issued the original aggregate principal amount of \$500,000 (the "Prior Bonds").

It is further our opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by the Bonds, if any, 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 Bonds and the Prior Bonds.

Very truly yours,


Abraham & Company, PLLC
Certified Public Accountants

CITY OF GLEN DALE

THE CHARTER

ARTICLE 1

INCORPORATION; BOUNDARIES; POWERS; FORM OF GOVERNMENT

SECTION 1 INCORPORATION

The inhabitants of Marshall County in this State, now and hereafter residing within the boundaries prescribed in the next section hereof, or as hereafter established in the manner prescribed by law, shall continue to be a municipal body politic and corporate in perpetuity under the name "City of Glen Dale".

SECTION 2 BOUNDARIES

The boundaries of said city shall be the same as those established for the Town of Glen Dale, by order of the Circuit Court of Marshall County, West Virginia, entered on February 7, 1924, together with any subsequent expansion or retraction of said boundaries.

SECTION 3 POWERS

Except as limited by the constitution and laws of the United States or West Virginia or restricted by this charter, the city shall have and may exercise all powers, functions, rights, privileges and immunities of every name and nature whatsoever belonging or appertaining to municipal corporations or cities. These shall include, without limitation, the power to acquire property within or without its corporate limits for any city purpose, in fee simple or any lesser interest or estate, by purchase, gift, devise, lease or condemnation; to sell, lease, mortgage, hold, manage and control such property that its interest may require; to sue and be sued, contract and be contracted with, and to tax all persons and all real and personal property within the city which are subject to taxation under the constitution and laws of West Virginia. The enumeration of particular powers by this charter shall not be deemed to be exclusive, and in addition to the powers enumerated therein or implied thereby, or appropriate to the exercise of such powers, it is intended that the city shall have and may exercise all powers which, under the constitution of this State, it would be competent for this charter specifically to enumerate.

SECTION 4 FORM OF GOVERNMENT

A. The elective officers of the city shall be a mayor, recorder and five (5) councilmen at large. The common council as defined by subsection (B) hereof, shall appoint the officers names in Article VII below, and shall have power to appoint such other officers as it may choose.

B. The municipal authorities of said city shall consist of the mayor, recorder and councilmen, who together shall form a common council, and all the corporate powers of said corporation shall be exercisable by said council or under its authority except where otherwise provided herein.

THE CHARTER

ARTICLE II ELECTIONS

SECTION 1 CONDUCT OF ELECTIONS

The Municipal election of the City of Glen Dale shall be held on the second Tuesday in June, One Thousand Nine Hundred Eighty-six and biennially thereafter. Every person who is a bona fide resident of said city, and is otherwise a qualified voter, under the constitution and laws of the State, shall be entitled to vote at such election. The elections shall be held, conducted, returned, and the results ascertained, certified and determined under such rules and regulations as may be prescribed by the Mayor and Council, which shall not be inconsistent with the general laws of the State governing municipal elections, and shall conform as nearly as practicable to such laws. Contested elections shall be heard and determined by the council, and the proceedings therein shall conform as nearly as may be to similar proceedings in the case of county and district officers. The council shall be the judge of the election, returns and qualifications of all officers. If two or more persons receive an equal number of votes for the same office, the council shall decide by vote which of them shall be returned elected, and shall make their return accordingly.

SECTIONS 1A NOMINATIONS

Any qualified elector of the city who has been a resident of the city for at least one year prior to the beginning of the term of office which he seeks may be nominated for the council or the office of Mayor, or the office of Recorder, by petition. The term "qualified elector" as used in this Charter shall mean a citizen having the qualifications required by law to vote, and who has been a resident of the city for at least thirty (30) days next preceding the election at which he desires to vote. A petition for this purpose shall be signed by not fewer than twenty-five (25) qualified electors of the city. No elector shall sign more than one petition for persons nominated for the office of Mayor, or the office of Recorder, nor shall any elector sign more petitions for persons to be nominated for the council than the number of councilmen to be elected at an election, and should an elector do so, his signature shall be void except as to the petition first filed in the case of petitions for Mayor or Recorder, and in the case of councilmen, his signature shall be valid only as to the number of petitions first filed as there are councilmen to be elected at the said election. The signatures on the nominating petition need not all be subscribed to on paper, but to each separate paper there shall be attached a signed statement of the circulator thereof, stating the number of signers of such paper and that each signature appended thereto was made in his presence and is the genuine signature or mark of the person who name it purports to be. With each signature including the

signature of the circulator, shall be stated, the place of residence of the signed, giving the street and number or other descriptions sufficient to identify it. The form of the nominating petition shall be substantially as follows:

"We, the undersigned electors of the City of Glen Dale hereby nominate _____ whose residence is _____, for the office of councilman, (or Mayor, or Recorder), to be voted for at the election to be held on the _____ day of _____, 19____; and we individually certify that we are qualified to vote for a candidate for the council or office of Mayor, or office of Recorder, and that we have not signed any other nominating petition for that office."

Name	Street and Number	Address from which last registered (if different)	Date of Signing
(Spaces for signature and required date)			

"Statement of Circulator"

"The undersigned is the circulator of the foregoing paper containing _____ signatures. Each signature appended thereto was made in my presence and is the genuine signature of the person whose name it purports to be.

Signature of Circulator _____
Address _____."

Any signature made earlier than the 15th day of March next preceding the election shall be void. All nominating papers comprising a petition shall be filed as one instrument with the recorder, not later than the first day of April before the election. The recorder shall make a record of the exact time which each petition is filed. No nominating petition shall be accepted unless accompanied by a signed acceptance of the nomination in substantially the following form:

"Acceptance of Nomination"

"I hereby accept the nomination for the council and agree to serve if elected.

Signature of Candidate _____."

All petitions so filed shall be submitted by the recorder to the council no later than its next regular meeting, for its determination as to their sufficiency. If a petition is found insufficient, the recorder shall return it immediately to the person who filed it with a statement certifying wherein the petition is found insufficient. Within the regular time for filing petitions such a petition may be amended and filed again as a new

petition (in which case the time of first filing shall be disregarded in determining the validity of signatures thereon) or a different petition may be filed for the same candidate.

SECTION 2 TERM OF OFFICE

At each biennial election there shall be chosen a Mayor and recorder who shall each serve for two years. The council shall consist of five members elected at large, and said members of council shall be elected for terms of four years, provided, that at the first election held under this charter, the two council members receiving the least number of votes of said five council members shall serve a term of two years only.

SECTION 3 INDUCTION OF OFFICERS

Each newly elected officer shall take office on the first day of July following his election, and shall continue until replaced by a duly elected officer.

ARTICLE III

COUNCIL

SECTION 1 MEETINGS

A. The regular meeting of council shall be held on the second and fourth Monday of each month, at such place in the city as council may by ordinance appoint. A special meeting of council may be called by the mayor, or by such member or members of council as may be specified by ordinance, but reasonable notice of such meeting shall be given in writing to all of the members who can be found., The call and notice must specify the business of the meeting, and no other business shall be considered. The presence of the majority of the whole number of councilmen shall be necessary to constitute a quorum for the transaction of business at any meeting, but a smaller number may adjourn from time to time and compel the attendance of absent members in such a way as council may provide by ordinance. The council shall, except as herein provided, determine its own rules and order of business. It shall keep a journal of its proceedings. At the request of any councilman present, the ayes and nays on any question shall be taken and entered upon the journal. All meetings and investigations shall be open to the public.

B. Any councilman who is unable to be present at any council meeting shall cause the recorder to be notified, stating the reason for his inability to be present. Such notice shall be given at least one hour prior to the convening time of council. Unauthorized absence for an unreasonable number of times from council meetings shall be grounds for city council to declare the office of the offending councilman vacant and to elect a successor. Notice of such intended action shall be given to the offending councilman in writing, which notice shall state the time and place for a public hearing to be had upon the matter. Council can only act to remove an offending councilman by two-thirds vote.

SECTION 2 ORDINANCES

In addition to such acts of the council as are required by statute or by this charter to be by ordinance, every act establishing a fine or other penalty or providing for the expenditure of funds or for the contracting of indebtedness, shall be by ordinance. The enacting clause of all ordinances shall be, "The Council of the City of Glen Dale hereby ordains." Ordinance procedure shall be in accordance with the general laws of the State.

SECTION 3 APPOINTMENT OF OFFICERS AND EMPLOYEES

All city officers and employees, including policemen, shall be appointed by the common council and shall hold office at the pleasure of said council. The officers appointed shall be those listed in Article VII plus such additional officers as said council shall from time to time think proper. Council may increase or change the duties of each officer as it may see fit, but shall not abolish the offices and duties specified in this charter. All acts of appointive officers and employees shall be subject to the control of the common council.

SECTION 4 SALARIES

Said council shall have power to fix the salaries of all officers both elective and appointive, including its own, and all employees. The salaries of the mayor, recorder and council members may not be increased during their current term of office. Salaries of appointive officers and employees shall be at pleasure of council.

SECTION 5 INVESTIGATIONS

The council or any committee of council shall have power to inquire into the conduct of any office, department or agency of the city and to make investigation as to municipal affairs and for that purpose may subpoena witnesses, administer oaths, and compel production of books, papers and other evidence. Failure to comply with such orders shall constitute a misdemeanor and shall be punishable by a fine not to exceed \$500.00 or by imprisonment not to exceed six months or both.

SECTION 6 IMPEACHMENT

Council shall have authority, upon the filing before it by any person of charges in writing alleging official misconduct, malfeasance in office, incompetence, neglect of duty, or gross immorality against any elective officer of the city to make an investigation of such charges. For this purpose also, it may exercise the powers set forth in Section 5 above. The accused shall be entitled to a public hearing, to the assistance of legal counsel and to the right of subpoena of witnesses and documents on his behalf. After such investigation the council may remove the said officer upon a two-thirds vote. The accused shall not vote on the question.

SECTION 7 AUDITS

In addition to the regular annual audit made by the State Tax Commissioner, the council may at any time employ qualified public accountants to make a special independent audit of the finances of the city or of the accounts of any city officer.

SECTION 8 VOTING

Except as herein provided, all action of the council shall be by majority vote. No member of the council shall discuss or vote on any question in which he is interested other than as a citizen of the city.

SECTION 9 FRANCHISES

Franchises may be granted by the council allowing to persons or corporations for a limited time such occupancy of portions of the streets and alleys as may be necessary for works of public utility and service. But no such franchises shall hereafter be granted except under the following restrictions and conditions:

A. No ordinance granting any franchise for the using of the streets, alleys or public grounds of the city shall take effect until the following steps are taken in the order named, and each step shall be completed before initiation of the next step:

1. The ordinance shall be proposed in council.
2. It shall be published in a newspaper of general circulation in Marshall County once a week for two successive weeks.
3. It shall be read at a regular meeting of council and then laid over at least until the next regular meeting.

B. Every grant of a franchise shall be for a limited period of time. If no limit be expressly provided, the franchise shall be valid for one year only. In no case shall the franchise extend for a period exceeding thirty years.

C. No grant for a franchise shall be made without at the time of making it providing that the grantee, its successors and assigns, shall indemnify the city against all damages caused by the construction of such works. All reasonable additional provisions and conditions shall be made for the protection of the public from unnecessary damage or inconvenience by reason of such works and the operation thereof. Failure of compliance with any condition imposed by the ordinance granting such franchise shall cause said franchise at the option of council to become null and void.

SECTION 10 VACANCIES IN COUNCIL

If a vacancy occurs in the office of councilman, the council shall by a majority vote of the remaining members appoint a qualified person to fill the vacancy until the next regular election, at which time a councilman to fill the office so vacated shall be elected.

ARTICLE IV

MAYOR AND RECORDER

SECTION 1 MAYOR IS CHIEF EXECUTIVE OFFICER

The mayor shall be the chief executive officer of the city and shall see that all orders, by-laws, ordinances and resolutions of the council thereof are faithfully executed. He shall have control of the police of the city, and may with the consent of members of council appoint special officers whenever he deems it necessary, and it shall be his duty to see that the peace and good order of the city are preserved. He shall, subject to action of the members of council, supervise the work of all appointive officers and employees. He shall from time to time recommend to the members of council such measures as he may deem needful for the welfare of the city. He shall preside over the meetings of the council and may cast a vote on all matters before the council but in case of a tie, he shall cast the tie-breaking vote, unless he has previously voted.

SECTION 2 MAYORS COURT

The mayor shall hold court at such times and places as he may deem necessary, and shall have such jurisdiction and powers as are now or may hereafter be prescribed by law.

A. The mayor shall have jurisdiction over all offenses against or violation of the ordinances of the city, and authority to inflict punishment for such violations in the manner lawfully prescribed by such ordinances upon and against offenders or violators of the same.

B. The mayor shall have full power and authority to enforce his orders and judgements, but any process of law which may be necessary and proper for the purpose and all processes, executions, and orders of his court shall be signed by the mayor. All process and executions shall be directed in the name of the City of Glen Dale as plaintiff to the chief of police, and be executed by him or one of his officers at any place within the county. In the execution of any process or order of said court, the chief of police or officer shall have the same powers, be governed in his proceedings by the same rules of law, and be subject to the same liabilities as the sheriff of Marshall County, West Virginia, in the performance of like services. There may be charges for the services of such officer, the same fees as the sheriff is entitled to charge for like services, but all such fees, as well as all fines imposed by said mayor, shall be collected by the mayor, and accounted for and paid by him to the treasurer of the city. The city shall in no event be liable for any such fees.

C. The mayor shall have authority to administer oaths within the city.

D. A docket and other books required by the records and a seal shall be provided for the mayor by the council. Full faith and credit shall be given to the records and certificates of the mayor's court, in like manner and with the same effect as if the same were records of the Circuit Court similarly authenticated.

SECTION 3 OTHER DUTIES OF THE MAYOR

The mayor shall perform such other duties as may be prescribed by this charter, or required to him by the council not inconsistent with this charter.

SECTION 4 RECORDER

The recorder shall keep the journal of the proceedings of the council, and he shall have charge of and preserve the records of the City of Glen Dale.

In the event the mayor is unable because of illness or absence from the council meeting to perform the duties of his office, and during any vacancy in the office of mayor, the recorder shall perform the duties of the mayor and be invested with all his power and authority.

The recorder may cast a vote on all matters before the council, but in the event he is the presiding officer at any council meeting, and in case of a tie at such meeting, he shall cast the tie-breaking vote, unless he has previously voted.

ARTICLE V

BUDGET

SECTION 1 FISCAL YEAR

The fiscal year of the city government shall begin on the first day of July and end on the 1st day of June of each calendar year. Such fiscal year shall also constitute the budget and accounting year. As used in this charter, the term "budget year" shall mean the fiscal year for which any particular budget is adopted and in which it is administered.

SECTION 2 PREPARATION AND SUBMISSION OF BUDGET

The mayor and finance committee of council prior to the beginning of each budget year, shall submit to the council an itemized budget.

SECTION 3 BUDGET A PUBLIC RECORD

The budget and all supporting schedules shall be a public record in the City building open to public inspection by anyone.

SECTION 4 PUBLIC HEARING ON BUDGET

At the first regular council meeting after submission of the budget, the council shall hold a public hearing on the budget as submitted, at which all interested persons shall be given an opportunity to be heard, for or against the estimate or any item thereof.

SECTION 5 DATE OF FINAL ADOPTION

The budget shall be finally adopted not later than the 28th day of March in the fiscal year.

ARTICLE VI

INITIATIVE AND REFERENDUM

SECTION 1 POWER OF INITIATIVE

The electors shall have power to propose any ordinance, except an ordinance appropriating money or authorizing the levy of taxes, and to adopt or reject the same at the polls, such power being known as the initiative. Any initiated ordinance may be submitted to the council by a petition signed by qualified electors of the city equal in number to at least ten per centum of the registered votes at the last regular municipal election.

SECTION 2 POWER OF REFERENDUM

The electors shall have power to approve or reject at the polls any ordinance passed by the council, or submitted by the council to a vote of the electors, such power being known as the referendum. Ordinances submitted to the council by initiative petition and passed by the council without change shall be subject to referendum in the same manner as other ordinances. Within twenty days after the enactment by the council of any ordinance which is subject to a referendum, a petition signed by qualified electors of the city equal in number to at least ten per centum of the registered voters at the last preceding regular municipal election may be filed with the recorder requesting that any such ordinance be either repealed or submitted to a vote of the electors.

SECTION 3 FORM OF PETITIONS; COMMITTEE OF PETITIONERS

All petitions papers circulated for the purposes of an initiative or referendum shall be uniform in size and style. Initiative petitions papers shall contain the full text of the proposed ordinance. The signatures to initiative or referendum petitions need not all be appended to one paper, but to each separate petition there shall be attached a statement of the circulator thereof as provided by this section. Each signed of any such petition paper shall sign his name in ink or indelible pencil and shall indicate after his name his place of residence by street and number, or other description sufficient to identify the place. There shall appear on each petition the names and addresses of the same five electors, who, as a committee of the petitioners, shall be regarded as responsible for the circulation and filing of the petition. Attached to each separate petition paper there shall be an affidavit of the circulator thereof that he, and he only, personally circulated the foregoing paper, that it bears a stated number of signatures, and all the signatures appended thereto were made in his presence, and that he believes them to be the genuine signatures of the persons whose names they purported to be.

SECTION 4 FILING EXAMINATION AND CERTIFICATION OF PETITIONS

All petition papers comprising an initiative or referendum petition shall be assembled and filed with the recorder as one instrument. Within twenty days after a petition is filed, the recorder shall determine whether each paper of the petition has a proper statement of the circulator and whether the petition is signed by a sufficient number of qualified voters. The recorder shall declare any petition paper entirely invalid which does not have attached thereto an affidavit signed by the circulator thereof. If a petition paper is found to be signed by more persons than the number of signature certified by the circulator, the last signatures in excess of the number certified shall be disregarded. If a petition paper is found to be signed by fewer persons than the number certified, the signature shall be accepted unless void on other grounds. After completing his examination of the petition, the recorder shall certify the results thereof to the council at its next regular meeting. If he shall certify that the petition is insufficient he shall set forth in his certificate the particulars in which it is defective and shall at once notify the committee of the petitioners of his findings.

SECTION 5 AMENDMENT OF PETITIONS

An initiative or referendum petition may be amended at any time within ten days after the notification of insufficiency has been set by the recorder, by filing a supplementary petition upon additional papers signed and filed as provided in case f an original petition. The recorder shall within five days after such an amendment is filed, make examination of the amended petition and if the petition be still insufficient, he shall file his certificate to that effect in his office and notify the committee of the petitioners of his findings and not further action shall be had on such insufficient petition. the finding of the insufficiency of a petition shall not prejudice the filing of a new petition for the same purpose.

SECTION 6 EFFECT OF CERTIFICATION OF REFERENDUM PETITION

When a referendum petition, or amended petition as defined in Section 5, Article VI, of this charter, has been certified as sufficient by the recorder, the ordinance specified in the petition shall not go into effect, or further action thereunder shall be suspended if it shall have go into effect, until and unless approved by the electors and hereinafter provided.

SECTION 7 CONSIDERATION BY COUNCIL

Whenever council receives a certified initiative or referendum petition from the recorder, it shall proceed at once to consider such petition. A proposed initiative ordinance shall be read and provision shall be made for a public hearing upon the proposed ordinance. The council shall take final action on the ordinance not later than sixty days after the date on which such ordinance was submitted to the council by the recorder. A referred ordinance shall be reconsidered by the council and its final vote upon such reconsideration shall be upon the question, "Shall the ordinance specified in the referendum petition be repealed?"

SECTION 8 SUBMISSION TO ELECTORS

If the council shall fail to pass an ordinance proposed by initiative petition, or shall pass it in a form different from that set forth in the petition therefor, or if the council fail to repeal a referred ordinance, the proposed or referred ordinance shall be submitted to the electors not less than thirty days more than one year from the date the council takes its full vote thereon. The council may, in its discretion, and if no regular election is to be held within such period, provide for a special election.

SECTION 9 FORM OF BALLOT FOR INITIATED AND REFERRED ORDINANCES

Ordinances submitted to vote of the electors in accordance with the initiative and referendum provisions of this charter shall be submitted by ballot title, which shall be prepared in all cases by the city solicitor of the city. The ballot title may be different from the legal title of any such initiated or referred ordinance and shall be a clear, concise statement, without argument or prejudice, description of the substance of such ordinance. The ballot used in voting upon any ordinance, shall have below the ballot title the following propositions, one above the other, in the order indicated: "FOR THE ORDINANCE" and "AGAINST THE ORDINANCE". Immediately at the left of each proposition there shall be a square in which by making a cross (x) the elector may vote for or against the ordinance. Any number or ordinances may be voted on at the same election and may be submitted on the same ballot. A ballot used for voting thereon, shall be for the purpose only.

SECTION 10 AVAILABILITY OF LIST OF QUALIFIED ELECTORS

If any organization or group requests it for the purpose of circulating descriptive matter relating to the ordinance to be voted on, the board of elections or recorder or other office, department or agency of the city having the list of qualified electors shall either permit such organization or group to copy the names and addresses of the qualified electors or furnish it with a list thereof.

SECTION 11 RESULTS OF ELECTION

If a majority of the electors voting on a proposed initiative ordinance shall vote in favor thereof, it shall thereupon be an ordinance of the city. A referred ordinance which is not approved by a majority of the electors voting thereon shall thereupon be deemed repealed. If conflicting ordinances are approved by the electors at the same election, the one receiving the greatest number of affirmative votes shall prevail to the extent of such conflict.

~~SECTION 12 REPEALING ORDINANCES: PUBLICATION~~

Initiative and referendum ordinances adopted or approved by the electors shall be published, and be amended or repealed by the council, as in the case of other ordinances.

ARTICLE VII

APPOINTIVE OFFICERS

SECTION 1 CITY SOLICITOR

The city solicitor shall prosecute and defend all suits for or against the city, and when requested to do so shall give his opinion in writing to the mayor or council upon such legal questions affecting the city as may be referred to him. He shall in addition perform such other services as council may require. The solicitor shall be a duly licensed attorney at law, but need not be a resident of the city.

SECTION 2 CITY ENGINEER

The city engineer shall perform such services as council may require.

ARTICLE VIII

GENERAL PROVISIONS

SECTION 1 COUNCIL DISCUSSION

The heads of all departments, and such other officers as may be designated by vote of the council shall be entitled to seats in the council, but shall have no vote. They shall be entitled to take part in all discussions of the council relating to their respective officers, departments or agencies.

SECTION 2 RECORDS AVAILABLE TO PUBLIC

All records, minutes and accounts of every office, department or agency of the city, including the council, shall be open to inspection by any citizen at all reasonable times and under reasonable regulations established by the council, except where disclosure would tend to defeat the lawful purpose which they are intended to accomplish.

SECTION 3 BONDS

Council may require all officers and employees of the city to give bond for the faithful performance of their duties in such reasonable amounts as shall be necessary to protect the city, the citizens, and the general public. Sureties shall be approved by the council and premiums shall be paid by the city.

SECTION 4 OATH OF OFFICE

Every officer of the city shall before entering upon the duties of his office take and subscribe to the following oath or affirmation to be filed and kept in the office of the recorder. "I solemnly swear (or affirm) that I will support the constitution and will obey the laws of the United States and the State of West Virginia, that I will, in all respects, observe the provisions of the charter and ordinances of the City of Glen Dale and will faithfully discharge the duties of the office of _____."

SECTION 5 EFFECT OF THIS CHARTER ON EXISTING LAW

A. All legislative and administrative acts or rules hereto adopted by the governing body and administrative agencies of the City of Glen Dale which are inconsistent or in conflict with this charter, shall continue in force for sixty days after the effective date of the charter, unless sooner modified or repealed by competent authority; but at the end of this period, shall to the extent of such inconsistency or conflict, be of no further force or effect.

B. All ordinances and acts which are not in conflict with this charter shall remain in full force and effect

unless later modified. In so far as the provisions of this charter are the same in terms or in substance and effect as provisions of law in force when this charter shall take effect, the provisions of this charter are intended to be not a new enactment but a continuation of such provisions of law, and this charter shall be so construed and applied.

SECTION 6 AMENDING THE CHARTER

Amendments of this charter may be made in accordance with the general laws of the State.

SECTION 7 SEPARABILITY CLAUSE

If any section or part of any section of this charter shall be held invalid by a court of competent jurisdiction, such holding shall not effect the remainder of this charter nor the context in which such section or part of section so held invalid may appear, except to the extent that an entire section or part of section may be inseparably connected in meaning and effect with the section or part of section to which such holding shall directly apply.

SECTION 8 ADMINISTRATIVE BOARDS

Whenever it is deemed advisable, the council shall have authority to create by ordinance and to provide for financial support of any of the separate administrative boards provided for in Chapter Eight of the official Code of West Virginia, as amended, and shall appoint the members of any board so established.

SECTION 9 FEES

All fees received by any officer or employee shall belong to the city government and shall be paid daily into the city treasury, except as hereinabove provided.

SECTION 10 BONDED INDEBTEDNESS AND BORROWING

The city shall have plenary power and authority to borrow money on the general faith and credit of the municipality for any municipal purpose, in the manner and subject to the limitations provided by law for the issuance of general obligation bonds.

ARTICLE IX

SUCCESSION

SECTION 1 RIGHTS OF OFFICERS AND EMPLOYEES

Nothing in this charter contained, except as specifically provided, shall affect or impair the rights or privileges of officers or employees of the city or of any office, department or agency existing at the time when this charter shall take effect, or any provision of law in force at the time when this charter shall take effect and not consistent with the provisions of this charter, in relation to the personnel, appointment, tenure of office, promotion, removal, civil rights or any other rights or privileges of officers or employees of the city of any office, department or agency thereof.

SECTION 2 CONTINUATION OF OFFICERS AND SALARIES

All officers and employees at the time this charter takes effect shall continue in office and in the performance of their duties and all salaries shall continue as at present until changes.

SECTION 3 CONTINUATION OF CONTRACTS

All contracts entered into by the city, or for its benefit, prior to the taking effect of this charter, shall continue in full force and effect. Public improvements for which legislative steps have been taken under laws existing at the time this charter takes effect may be carried to completion as nearly as practicable in accordance with the provisions of such existing laws and charter provisions.

SECTION 4 CONTINUATION OF LEGAL PROCEEDINGS

No action or proceeding, civil or criminal, pending at the time when this charter shall take effect, brought by or against the city or any office, department or agency or officer thereof, shall be affected or abated by the adoption of this charter or by anything therein contained.

SECTION 5 EFFECTIVE DATE

Upon the adoption of this charter, its provisions shall become effective in conformity with West Virginia Code, Chapter Eight, Article Four, Section Five.

SECTION 11 CITY IMPROVEMENTS

Any city improvement costing more than \$5,000.00 shall be executed by contract, except where authorized to be executed directly by a city department in conformity with detailed plans, specifications and estimates. All such contracts shall be awarded to a responsible bidder after proper notice, provided that the mayor shall have the power to reject all bids and advertise again. Alterations in any contract may be made when authorized by council.

SECTION 12 PERSONAL INTEREST

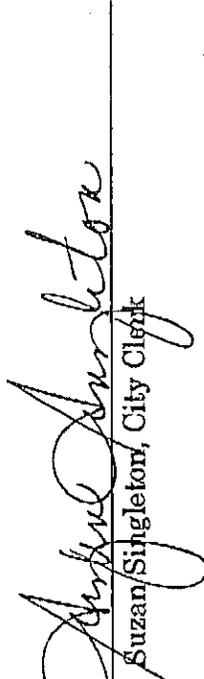
No mayor, recorder or member of council or any officer or employee of the city shall have a financial interest, direct or indirect or by reason of ownership of stock in any corporation, in any contract or in the sale to the city or to a contractor supplying the city of any land or rights or interests in any land, material, supplies or services. Any willful violation of this section shall constitute malfeasance in office, and any officer or employee of the city found guilty thereof shall thereby forfeit his office or position. Any violation of this section with the knowledge express or implied of the person or corporation contracting with the city shall render the contract voidable by the mayor or the council.

OATH

STATE OF WEST VIRGINIA, COUNTY OF MARSHALL, CITY OF GLEN DALE:
 I, JOHN H. ZINN, DO SOLEMNLY SWEAR THAT I WILL SUPPORT
 THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE
 OF WEST VIRGINIA, THAT I WILL, IN ALL RESPECTS, OBSERVE THE
 PROVISIONS OF THE CHARTER AND ORDINANCES OF THE CITY OF GLEN
 DALE AND WILL FAITHFULLY DISCHARGE THE DUTIES OF THE OFFICE OF
 COUNCIL TO THE BEST OF MY SKILL AND JUDGEMENT, SO HELP ME GOD.


 JOHN H. ZINN

SUBSCRIBED AND SWORN TO BEFORE THE UNDERSIGNED, THIS 14TH DAY OF JULY, 2008.


 Suzan Singleton, City Clerk

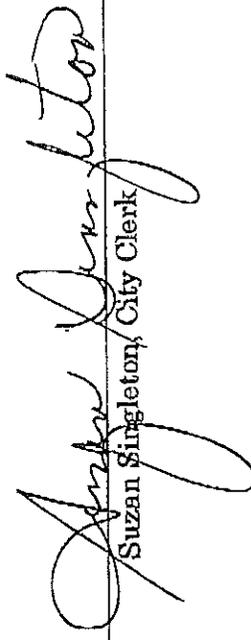
OATH

STATE OF WEST VIRGINIA, COUNTY OF MARSHALL, CITY OF GLEN DALE:
 I, WAYNE R. BERO, DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE
 CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE OF
 WEST VIRGINIA, THAT I WILL, IN ALL RESPECTS, OBSERVE THE PROVISIONS
 OF THE CHARTER AND ORDINANCES OF THE CITY OF GLEN DALE AND WILL
 FAITHFULLY DISCHARGE THE DUTIES OF THE OFFICE OF COUNCIL TO THE
 BEST OF MY SKILL AND JUDGEMENT, SO HELP ME GOD.



 WAYNE R. BERO

SUBSCRIBED AND SWORN TO BEFORE THE UNDERSIGNED, THIS 14TH DAY OF JULY, 2008.



 Suzan Singleton, City Clerk

OATH

State of West Virginia, County of Marshall, City of Glen Dale:

I, David W. Blazer, do solemnly swear that I will support the Constitution of the United States and the State of West Virginia, that I will, in all respects, observe the provisions of the charter and ordinances of the City of Glen Dale and will faithfully discharge the duties of the office of Mayor to the best of my skill and judgment, so help me God.

David W. Blazer
David W. Blazer

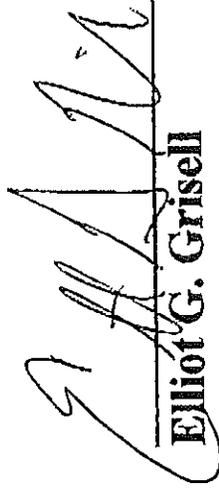
Subscribed and sworn to before the undersigned, this 28th day of June, 2010.

Gerald Trembush
Gerald Trembush, Recorder
City of Glen Dale

OATH

State of West Virginia, County of Marshall, City of Glen Dale:

I, Elliott G. Grisell, do solemnly swear that I will support the Constitution of the United States and the State of West Virginia, that I will, in all respects, observe the provisions of the charter and ordinances of the City of Glen Dale and will faithfully discharge the duties of the office of City Council to the best of my skill and judgment, so help me God.


Elliott G. Grisell

Subscribed and sworn to before the undersigned, this 28th day of June, 2010.


David W. Blazer, Mayor
City of Glen Dale

OATH

State of West Virginia, County of Marshall, City of Glen Dale:

I, Gerald A. Trembush, do solemnly swear that I will support the Constitution of the United States and the State of West Virginia, that I will, in all respects, observe the provisions of the charter and ordinances of the City of Glen Dale and will faithfully discharge the duties of the office of Recorder to the best of my skill and judgment, so help me God.


Gerald A. Trembush

Subscribed and sworn to before the undersigned, this 28th day of June, 2010.

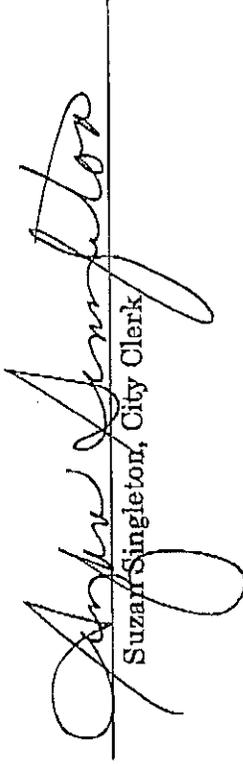

David W. Blazer, Mayor
City of Glen Dale

OATH

STATE OF WEST VIRGINIA, COUNTY OF MARSHALL, CITY OF GLEN DALE:
 I, LAWRENCE E. ENGLISH, DO SOLEMNLY SWEAR THAT I WILL SUPPORT
 THE CONSTITUTION OF THE UNITED STATES OF AMERICA AND THE STATE
 OF WEST VIRGINIA, THAT I WILL, IN ALL RESPECTS, OBSERVE THE
 PROVISIONS OF THE CHARTER AND ORDINANCES OF THE CITY OF GLEN
 DALE AND WILL FAITHFULLY DISCHARGE THE DUTIES OF THE OFFICE OF
 COUNCIL TO THE BEST OF MY SKILL AND JUDGEMENT, SO HELP ME GOD.


 LAWRENCE E. ENGLISH

SUBSCRIBED AND SWORN TO BEFORE THE UNDERSIGNED, THIS 14TH DAY OF JULY, 2008.


 Suzan Singleton, City Clerk

OATH

State of West Virginia, County of Marshall, City of Glen Dale:

I, Lewis E. Richmond, do solemnly swear that I will support the Constitution of the United States and the State of West Virginia, that I will, in all respects, observe the provisions of the charter and ordinances of the City of Glen Dale and will faithfully discharge the duties of the office of City Council to the best of my skill and judgment, so help me God.


Lewis E. Richmond

Subscribed and sworn to before the undersigned, this 28th day of June, 2010.


David W. Blazer, Mayor
City of Glen Dale

CITY OF GLEN DALE

AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE CITY OF GLEN DALE.

THE COUNCIL OF THE CITY OF GLEN DALE HEREBY ORDAINS: The following rules, rates and charges are hereby fixed, determined and established for municipal water services provided to all general domestic, commercial, and industrial users of the City of Glen Dale's Municipal Water System, commencing upon the effective date as hereinafter provided, and in accordance with the following Rates and Schedules:

RULES AND REGULATIONS

- I. *Rules and Regulations for the Government of Water Utilities*, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

SECTION 1 - TARIFF

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for general domestic, commercial and industrial water service.

RATES (Customers with metered water supply)

First	2,000	gallons used per month	\$8.44	per 1,000 gallons
Next	3,000	gallons used per month	\$4.40	per 1,000 gallons
Next	5,000	gallons used per month	\$3.83	per 1,000 gallons
All Over	10,000	gallons used per month	\$3.46	per 1,000 gallons

MINIMUM CHARGE

No bill shall be rendered for less than \$16.88 per month:

5/8	inch meter	-	\$16.88	per month
3/4	inch meter	-	\$25.32	per month
1	inch meter	-	\$42.20	per month
1 1/2	inch meter	-	\$84.40	per month
2	inch meter	-	\$135.04	per month
3	inch meter	-	\$253.20	per month
4	inch meter	-	\$422.00	per month
6	inch meter	-	\$844.00	per month
8	inch meter	-	\$1,350.40	per month

RECEIVED
10 FEB 26 PM 2:31
W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent (10%) will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant:

A tap fee of \$500.00 will be charged to all customers who initially apply for new service.

RECONNECTION

A reconnection fee of \$50.00 is to be charged whenever the supply of water is turned off.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the City of Glen Dale or a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

LEAK ADJUSTMENT

\$1.71 per 1,000 gallons is 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 shall be applied to all such consumption above the customer's historical usage.

SECURITY DEPOSIT

Not to exceed one-twelfth (1/12) of the annual estimated charge for residential service or one-sixth (1/6) of the annual estimated charge for commercial service, or \$50.00, whichever is greater.

PUBLIC FIRE PROTECTION

The fee for a public fire hydrant is \$26.00 a month.

The City of Glen Dale shall pay a public fire service fee of \$1,326.00 per month which shall cover all of the hydrants and fire facilities existing within the City of Glen Dale.

All of the public hydrants located outside of the City of Glen Dale shall be paid for by the users who are located outside of the City of Glen Dale on a pro-rated basis.

PRIVATE FIRE PROTECTION SERVICE

Where connections, hydrants, sprinklers, etc. on private property are maintained by consumer:

1	inch Service Line with hydrants, sprinklers, and/or hose connections	\$150.00	per annum
2	inch Service Line with hydrants, sprinklers, and/or hose connections	\$200.00	per annum
3	inch Service Line with hydrants, sprinklers, and/or hose connections	\$310.00	per annum
4	inch Service Line with hydrants, sprinklers, and/or hose connections	\$420.00	per annum
6	inch Service Line with hydrants, sprinklers, and/or hose connections	\$540.00	per annum
8	inch Service Line with hydrants, sprinklers, and/or hose connections	\$660.00	per annum

10 inch Service Line with hydrants, sprinklers, and/or hose connections \$880.00 per annum
12 inch Service Line with hydrants, sprinklers, and/or hose connections \$1,080.00 per annum

SECTION 2 – EFFECTIVE DATE

The rates, charges and penalties provided herein shall become effective forty-five (45) days after enactment, or as soon thereafter as the same may be approved by the Public Service Commission of West Virginia.

SECTION 3 – SEVERABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are severable, and if any clause, provision or section hereof shall be held void or unenforceable by the Public Service Commission of West Virginia or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby repealed, and to the extent that the provisions of this Ordinance do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

SECTION 4 – STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the City Recorder shall cause to be published a copy of this Ordinance in the *Moundsville Daily Echo*, a qualified newspaper of general circulation in the City of Glen Dale, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before the City Council on Monday, February 22, 2010, at 7:30 p.m., which date is not less than five (5) days after the date of the publication of the Ordinance and notice, and present any comment or protest thereto, following which hearing, Council shall take such action as it shall deem proper. Copies of this Ordinance shall be available to the public for inspection at the office of the City Recorder, City of Glen Dale, Glen Dale, West Virginia.

First Reading: February 8, 2010

Second Reading
and Public Hearing: February 22, 2010

CITY OF GLEN DALE, a municipal corporation

Mayor: David W. Blaylock

Recorder: Gerald L. Trumbush

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333190.00005

GLEN DALE CITY COUNCIL MINUTES

FEBRUARY 8, 2010

Glen Dale City Council met in regular session on Monday, February 8, 2010, at 7:30p.m. in Council Chambers of the Glen Dale City Building. Those in Attendance were Mayor Blazer, Recorder Trembush, Council Members: Bero, English, McCulley, Richmond, and Zinn. Also present were Water Superintendent Orlofske, Street Commissioner Byers, City Clerk Singleton (retired), Attorney Gardner and Bookkeeper Rickman. Chief of Police Stenger was absent.

The Minutes of the previous meeting were approved on a motion by Zinn and a second by Bero. Vote: Unanimous.

Mayor Blazer recognized Dave Thomas who wanted to thank the city for cleaning his alley of snow and to report a hole by the North parking lot of Warren Dist. Also recognized was Russ Hall who wanted to report frequent speeding on Marx Lane in the morning hours by Warren Distribution workers and in the evening by customers visiting the Landing. The Mayor asked Street Commissioner Byers to check about the hole in the Parking Lot and to report the speeding to Traffic.

Bills totaling \$10,443.36 were approved on a motion by McCulley and a second by Richmond. Vote: Unanimous

Councilman Zinn reported that the Parks and Recreation Board was in need of two board members and that anyone interested in serving should contact the City. He also stated that workers for the Glen Dale Swimming pool were needed at all levels including manager, concession stand workers and life guards.

Dave McLaughlin and Pete Fisher of the Glen Dale Baseball Association presented Council with expense reports from last year. They reported that the Association Operated with a deficit of about \$4,500.00 the previous year. They were asking Council to allow for an increase from \$2,000.00 to \$5,000.00 in the upcoming City Budget to compensate for the increase in operating expenditures.

McCulley made a motion to accept all standing committee reports and English seconded. Vote: Unanimous.

Zinn made a motion, second by Bero, to hire Jane Criswell Rickman as full time City Clerk Beginning May 1, 2010 to replace Suzie Singleton. Vote: Unanimous.

Bero made a motion, second by English, to approve on first reading an ordinance placing on the ballot of the May 11, 2010 Primary to authorize tax levies for the fiscal years beginning July 1, 2011 to provide funds for a system of mass transit to be provided by the Ohio Valley Regional

Transportation Authority. Motion carried on a 3-2 Roll CALL VOTE with Richmond and Zinn voting against.

Zinn made a motion, second by Richmond, to approve on first reading a Water Rate Ordinance establishing and fixing water rates, connection charges, delayed payment, penalties and other charges for service to customers of the water system of the City of Glen Dale. Vote: Unanimous. ✓

Richmond made a motion, second by McCulley, to approve Belmar to proceed with grant applications for the Little Grave Creek Water Project providing that such grants allow for the entire cost of the project with no expense to the City of Glen Dale. Vote: 4-1(Zinn).

Zinn made a motion, second by English, to approve a letter to the WVDOH requesting administrative fees for T-21 Grants for the Cockayne House. Vote: Unanimous.

McCulley made a motion, second by Bero, to donate \$100.00 to the Bishop Donahue 2010 After Prom to be held on May1, 2010. Vote: Unanimous.

Zinn Made a motion, second by Bero, to adjourn at 8:15p.m. Vote: Unanimous.



David Blazer, Mayor



Gerald A. Trembush, Recorder

GLEN DALE CITY COUNCIL MINUTES

FEBRUARY 22, 2010

Glen Dale City Council met in regular session on Monday, February 22, 2010, at 7:30p.m. in Council Chambers of the Glen Dale City Building. Those in Attendance were Mayor Blazer, Recorder Trembush, Council Members: Bero, English, McCulley, Richmond and Zinn. Also present were Chief of Police Stenger, Water Superintendent Orlofske, Street Commissioner Byers, Attorney Gardner and Bookkeeper Rickman, City Clerk Singleton was absent.

The Minutes of the previous meeting were approved on a motion by Zinn and a second by English. Vote: Unanimous.

Mayor Blazer recognized Amy Toler of the WVDHHR who is investigating opportunities of employment to place individuals who are in need of public assistance. The City of Glen Dale would have no liability and the WVDHHR would pay their benefits and salaries. Council will consider the possibility.

Bills totaling \$22,890.17 were approved on a motion by McCulley and a second by Richmond. Vote: Unanimous.

Attorney Gardner opened a public hearing on the proposed water rate increase but no one was present to question or oppose.

Zinn made a motion, second by Richmond, to grant permission for the Sanitary Department to bid on a used Vaccon truck from the city of Moundsville. Vote: Unanimous.

English made a motion to accept all standing committee reports and Bero seconded. Vote: Unanimous.

Bero made a motion, second by English, to approve on second and final reading an ordinance placing on the ballot of the May 11, 2010 Primary to authorize tax levies for the fiscal years beginning July 1, 2010 and July 1, 2011 to provide funds for a system of mass transit to be provided by the Ohio Valley Regional Transportation Authority. Motion carried on a 3-2 ROLL CALL VOTE with Richmond and Zinn voting against.

Zinn made a motion, second by English, to approve on second and final reading a Water Rate Ordinance establishing and fixing water rates, connection charges, delayed payment penalties and other charges for service to customers of the water system of the City of Glen Dale. ROLL CALL VOTE: 5-0 Unanimous. ✓

McCulley made s motion, second by Richmond, to approve the Mayor's signature on engineering contracts for the Little Grave Creek Water Project providing that grants allow for the entire cost of the project with no expense to the City of Glen Dale. Vote: 4-1 (Zinn).

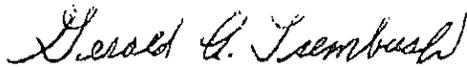
Richmond made a motion, second by Zinn, to approve advertising for bids for the sewer line project on West Baltimore. Vote: Unanimous.

Richmond moved and English seconded a request for an executive session at 8:05p.m. Zinn moved and McCulley seconded a request to return to regular session at 8:26p.m. Both votes were unanimous.

Zinn made a motion, second by Richmond, to adjourn at 8:30p.m. Vote: Unanimous.

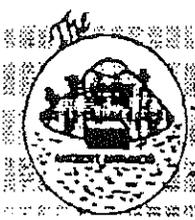


David Blazer, Mayor



Gerald A. Trembush, Recorder

Pre



MOUNDSVILLE DAILY ECHO

SINCE 1891

(304) 845-2660
P.O. BOX 369
MOUNDSVILLE
WEST VIRGINIA
26041

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn upon my oath, do depose and say:

- that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a Republican newspaper;
- that I have been duly authorized to execute this affidavit;
- that such newspaper has been published for over 103 years, is regularly published afternoons daily except Sundays, for at least fifty weeks during the calendar year, in the municipality of Moundsville, Marshall County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in Art. 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive of any cover, per issue;
- that such newspaper is circulated to the general public at a definite price or consideration;
- that such newspaper is a newspaper to which the general public resorts for passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

PARTY(ies)

City of GlenDale

NATURE (and agency if heard before one)

water rates

CERTIF-BILL TO

City of GlenDale
402 Wheeling ave
GlenDale WV 26038

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
one	February 11, 2010
BY WORDS	PUBLICATION CHARGES
246@.115	\$28.29

(signed) Marian Walton

NOTARIZATION



Official Seal
 taken, sworn to and subscribed before me this 15th day of February 2010
 STATE OF WEST VIRGINIA
 LINDA M. MASSEY
 Moundsville Daily Echo
 P. O. Box 369
 Moundsville, West Virginia 26041
 My Commission Expires Jan. 9, 2016
 Notary public
Massey

LEGAL ADVERTISEMENT

NOTICE OF PUBLIC HEARING ON CITY OF GLENDALE WATER RATE ORDINANCE

Notice is hereby given that on February 8, 2010, the City of Glen Dale caused to be read before the City Council an ordinance proposing increased water rates and charges in lieu of those rates and charges contained in the City's existing water tariff currently on file at the Public Service Commission of West Virginia for furnishing water service to customers in Marshall County, West Virginia and is proposing adoption of the same. The proposed ordinance is titled:

AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE CITY OF GLENDALE

The City Council of the City of Glen Dale will have its final reading and vote on the ordinance on Monday, February 22, 2010 at 7:30 p.m. in the City of Glen Dale City Hall, Glen Dale, West Virginia. Said meeting is open to the public and all interested parties may appear at the meeting and present protests or any with respect to the proposed ordinance. A copy of the proposed ordinance is available for inspection at the office of the City Recorder of the City of Glen Dale, City Hall, Glen Dale, West Virginia.

Gerald A. Trembush
Recorder

PUBLISH February 11, 2010

POST



(304) 845-2600
P.O. BOX
MOUNDSVILLE
WEST VIRGINIA
26041

LEGAL ADVERTISEMENT

PUBLIC NOTICE OF WATER RATES OF THE CITY OF GLENDALE
NOTICE is hereby given that the CITY OF GLENDALE (the "City") enacted an ordinance on February 22, 2010, containing increased rates and charges for furnishing water service to 1,202 customers at Glen Dale and vicinity, in Marshall County, West Virginia.

(3) Any customer or group of customers who are affected by said change in rates who reside within the City's boundaries and who present a petition to the Public Service Commission alleging discrimination between said customer or group of customers and other customers of the City's waterworks system. Said petition shall be accompanied by evidence of discrimination.

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn by my oath, do depose and say:
• that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a R newspaper;
• that I have been duly authorized to execute this affidavit;
• that such newspaper has been published for over 103 years, is regular published afternoons daily except Sundays, for at least fifty weeks during each year, in the municipality of Moundsville, Marshall County, West Virginia;
• that such newspaper is a newspaper of "general circulation" as defined in § 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Marshall and Marshall County;
• that such newspaper averages in length four or more pages, exclusive of cover, per issue;
• that such newspaper is circulated to the general public at a definite consideration;
• that such newspaper is a newspaper to which the general public reads passing events or a political, religious, commercial and social nature and current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
• and that the annexed notice described as follows:

The proposed increased rates and charges will become effective 45 days from the effective date of the ordinance, unless otherwise ordered by the Public Service Commission, and will produce approximately \$26,101 annually in additional revenue, an increase of 7%. The average monthly bill for the various classes of customers will be changed as follows:

- TYPE OF CUSTOMER—Domestic (4,000 gallons); (\$) INCREASE—\$1.70; INCREASE (%)—7%
- TYPE OF CUSTOMER—Commercial (4,000 gallons); (\$) INCREASE—\$1.70; INCREASE (%)—7%
- TYPE OF CUSTOMER—Industrial (4,000 gallons); (\$) INCREASE—\$1.70; INCREASE (%)—7%

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, Post Office Box 812, Charleston, West Virginia 25323.

A complete copy of the proposed rates, as well as a representative of the utility to provide any information requested concerning it, is available to all customers, prospective customers, or their agents at the Recorder's Office at the City Hall, Glen Dale, West Virginia.

A copy of the proposed rates is available for public inspection at the Office of the Executive Secretary of the Public Service Commission at 201 Brooks Street, Post Office Box 812, Charleston, West Virginia 25323.

/s/ Gerald A. Trembush
City Recorder
PUBLISH: February 26, March 5, 2010.

PARTY(ies)

City of Glen Dale

NATURE (and agency if heard before one)

Water rates

CERTIF-BILL TO
T. Swanson
Steptoe & Johnson
POB 1588
Charleston WV 25326

The City has no resale customers. The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing. The Public Service Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates and charges by:

(1) Any customer aggrieved by the changed rates or charges who presents to the Public Service Commission a petition signed by not less than twenty-five percent (25%) of the customers served by the City's waterworks system; or

(2) Any customer who is served by the City's waterworks system and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the Public Service Commission a petition alleging discrimination between customers within and without the City's boundaries. Said petition shall be accompanied by evidence of discrimination; or

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
two	February 26, March 5, 2010

BY WORDS	PUBLICATION CHARGES
615@.2012	\$123.74

(signed) Marian L. Walton

OFFICIAL NOTARIZATION
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LINDA M. MASSIE
Moundsville Daily Echo
P.O. Box 2600
Moundsville, West Virginia 26041
My Commission Expires Jan. 9, 2016

8/4
2010
Notary Public
Linda M. Massie



(304) 845-2860
 P.O. BOX 369
 MOUNDSVILLE
 WEST VIRGINIA
 26041

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,
 COUNTY OF MARSHALL, to wit:

I, Marian Walton, being first duly sworn upon my oath, do depose and say:

- that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a Republican newspaper;
- that I have been duly authorized to execute this affidavit;
- that such newspaper has been published for over 103 years, is regularly published afternoons daily except Sundays, for at least fifty weeks during the calendar year, in the municipality of Moundsville, Marshall County, West Virginia.
- that such newspaper is a newspaper of "general circulation" as defined in Art. 3, Chap. 59 of the Code of West Virginia 1931 as amended, within Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive of any cover, per Issue;
- that such newspaper is circulated to the general public at a definite price or consideration;
- that such newspaper is a newspaper to which the general public resorts for passing events or a political, religious, commercial and social nature and for current happenings, announcements, miscellaneous reading matters, advertisements and other notices;
- and that the annexed notice described as follows:

PARTY(ies)

City of Glendale

NATURE (and agency if heard before one)

hearing bonds

CERTIF-BILL TO

STEPTOE & JOHNSON
POB 1588
Charleston WV 25326

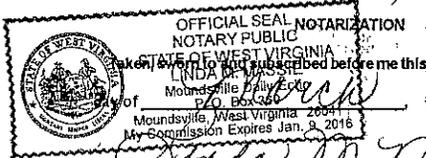
WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
two	March 1, 8, 2011

BY WORDS	PUBLICATION CHARGES
451@.2012	\$90.74

(signed)

Marian L. Walton



Subscribed before me this 14th day of March, 2011.

 Notary public
Linda M. Massie

LEGAL ADVERTISEMENT
NOTICE OF PUBLIC HEARING
ON THE CITY OF GLENDALE BOND
ORDINANCE

A public hearing will be held on the following entitled Ordinance at a regular meeting of the Council of the City of Glen Dale (the "City") to be held on Monday, March 14, 2011, at 7:30 p.m. at the City Hall, Glen Dale, West Virginia, and at such hearing any person interested may appear before the City and present protests, and all protests and suggestions shall be heard by the City and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF THE CITY OF GLEN DALE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE CITY OF GLENDALE NOT MORE THAN \$2,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2011-A (UNITED STATES DEPARTMENT OF AGRICULTURE), IN ONE OR MORE SERIES, DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS, PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS, AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used to (i) to pay a portion the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public waterworks system of the Issuer, and (ii) to pay certain costs of issuance hereof and related costs. The Bonds are payable from the revenues derived from the System. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The above-entitled Ordinance was adopted by the Council of the City of Glen Dale on February 28, 2011. A certified copy of the above-entitled Ordinance is on file with the City for review by interested parties during regular office hours.

Following the public hearing, the City intends to enact the Ordinance upon final reading.

/s/ David Blazer
 Mayor

PUBLISH: March 1, 8, 2011.

CITY OF GLEN DALE

Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

EXCERPT OF MINUTES ON ADOPTION OF
SUPPLEMENTAL RESOLUTION AND DRAW
RESOLUTION

The undersigned RECORDER of the City of Glen Dale hereby certifies that the following is a true and correct excerpt of the minutes of a regular meeting of the said City Council:

The City Council of the City of Glen Dale met in regular session, pursuant to notice duly posted, on the 28th day of March, 2011, in Glen Dale, West Virginia, at the hour of 7:30 p.m.

PRESENT: David Blazer, Mayor
Gerald Trembush, Recorder
Elliott Griswell, Councilmember
John Zinn, Councilmember
Larry English, Councilmember
Wayne Bero, Councilmember
Lewis Richmond, Councilmember
John Stump, Steptoe & Johnson

David Blazer, Mayor, presided and Gerald Trembush acted as Recorder. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Mayor then presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION MAKING PROVISIONS AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2011 A OF CITY OF GLEN DALE, 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 Wayne Bero and seconded by John Zinn, 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 Mayor presented a proposed Draw Resolution for the approval of invoices. Thereupon, on motion duly made by John Zinn and seconded by Wayne Bero, it was unanimously ordered that the said Draw Resolution be adopted.

There being no further business to come before the meeting it was unanimously ordered that the meeting adjourn.

[Remainder of Page Intentionally Blank]

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of the City of Glen Dale and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 21st day of April, 2011.


Recorder

03.23.11
333190.00004

GLEN DALE CITY COUNCIL MINUTES

FEBRUARY 28, 2011

Glen Dale City Council met in regular session on Monday, February 28, 2011, at 7:30pm in Council chambers of the Glen Dale City Building. Those in attendance were Mayor Blazer, Council Members: Bero, Zinn, English, Grisell, Richmond. Also present were Chief of Police Stenger, City Clerk Rickman, Street Commissioner Byers, Water Superintendent Orlofske. Recorder Gerald Trembush and Attorney Gardner were absent.

A motion was made to approve the minutes of the previous meeting by Zinn; Bero seconded. Vote: Unanimous.

Ruth Moore was present to ask for signatures and the backing of Council for a petition requesting that the Post Office not close at the end of its lease.

Brian Long of Bob Robinson delivered the 2011 dump Truck and explained the delay in receiving the truck.

English made a motion to pay bills in the amount of \$7,772.39; Grisell seconded. Motion carried. It was noted that there will be a finance meeting on Monday, March 7, 2011 at 5:00pm in City Council Chambers.

Water Superintendent Orlofske asked permission to buy equipment at an approximate cost \$35,000.00 for water leak detection. Council Members will discuss at the finance meeting.

Richmond made a motion to accept the committee reports as presented; Bero seconded. Vote: Unanimous.

Second reading of Ordinance to Create C-8 Civic Service Area District was tabled until the March 14, 2011 meeting.

Grisell made a motion to accept on second reading a Bond Ordinance for the Issuance of its Water Revenue Bonds, series 2011A; Richmond seconded. Roll Call Vote: Bero-Yes, English-Yes, Grisell-Yes, Richmond-Yes, Zinn-Yes. Vote: Unanimous. ✓

Council determined that the cost of the new dump truck would be divided between the Street Department and Sanitation Department unless the need would arise for other department's to share in the cost.

The Recreation Board submitted an invoice for liability insurance for payment. Further discussion will be held at the finance meeting.

Zinn made a motion to adjourn at 8:25pm; English seconded. motion carried.

David W. Blazer

David W. Blazer, Mayor

Gerald G. Trembush

Gerald Trembush, Recorder

GLEN DALE CITY COUNCIL MINUTES**FEBRUARY 14, 2011**

Glen Dale City Council met in regular session on Monday, February 14, 2011, at 7:30pm in Council Chambers of the Glen Dale City Building. Those in attendance were Recorder Trembush, Council Members: Bero Zinn, English, Grisell, Richmond. Also present were Chief of Police Stenger, City Clerk Rickman, Street Commissioner Byers, Water Superintendent Orlofske and Attorney Gardner. Mayor Blazer was absent.

The minutes of the previous meeting were approved on a motion by Zinn and second by English with a change being made from "approve" to "file for" with regard to the motion for the land and Water Grant Application. Vote: Unanimous.

Dave Thomas wanted to know why there was no stop sign at the top of 4th Street and Wheeling Avenue. Chief of Police Stenger will look into the matter.

Councilman Richmond made a motion to pay bills in the amount of \$2,256.33; Grisell seconded. Vote: Unanimous.

Richmond made a motion to pass on the first reading an ordinance to form C-8 Civic Service Area District; Zinn seconded. Vote: Unanimous.

English made a motion to accept the standing committee reports; Bero seconded. Vote: Unanimous.

English made a motion to accept the Rules of Procedure Resolution; Grisell seconded. Vote: Unanimous.

Zinn made a motion to accept on first reading a Bond Ordinance for the Issuance of its Water Revenue Bonds, Series 2011A; Bero seconded. Roll Call Vote: Bero-Yes, English-Yes, Grisell-Yes, Richmond-Yes, Zinn-Yes. Vote: unanimous. ✓

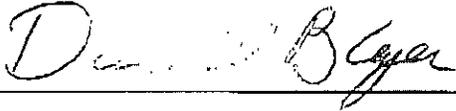
English made a motion for an executive session for personnel issues at 7:55; Richmond seconded. Vote: Unanimous.

Richmond made a motion to resume regular session at 8:25; English seconded. Motion carried. Vote: Unanimous.

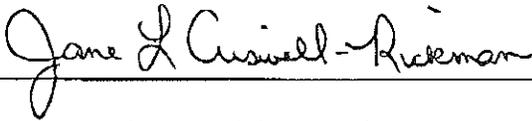
Bero made a motion giving Attorney Gardner to authority to make the necessary amendments on the lease and pipeline agreements and for Mayor Blazer to sign those documents; English seconded. Vote: Bero, English, Richmond, Zinn-Yes. Grisell-No.

Zinn made a motion to hire Nancy Purtiman as a full time dispatcher effective 3/1/11; Grisell seconded. Motion carried.

Zinn made a motion to adjourn at 9:05; English seconded. motion carried.



David W. Blazer, Mayor



Jane L. Criswell-Rickman, City Clerk

WV MUNICIPAL BOND COMMISSION

1207 Quarrier Street
Suite 401
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 21-Apr-11

ISSUE: City of Glen Dale
Water Revenue Bonds, Series 2011 A (United States Department of Agriculture)

ADDRESS: 402 Wheeling Avenue, Glen Dale, West Virginia 26038 COUNTY: Marshall

PURPOSE OF ISSUE:
New Money: x
Refunding: _____

ISSUE DATE: 21-Apr-11 REFUNDS ISSUE(S) DATED: NA
CLOSING DATE: 21-Apr-11

ISSUE AMOUNT: \$1,665,000 RATE: NA

1ST DEBT SERVICE DUE: NA 1ST PRINCIPAL DUE NA

1ST DEBT SERVICE AMOUNT NA PAYING AGENT: Issuer

BOND COUNSEL: Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL: Firm: _____
Contact: _____
Phone: _____

CLOSING BANK: Bank: _____
Contact: _____
Phone: _____

ESCROW TRUSTEE: Firm: _____
Contact: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT: Contact: David Blazer
Position: Mayor
Phone: 304.845.5511

OTHER: Agency: United States Department of Agriculture
Contact: Virginia McDonald
Position: Rural Development Specialist
Phone: 304.372.6231 x 4

DEPOSITS TO MBC AT CLOSE

By: _____ Wire	Accrued Interest:	\$ _____
_____ Check	Capitalized Interest:	\$ _____
	Reserve Account:	\$ _____
	Other:	\$ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE

By: _____ Wire	To Escrow Trustee	\$ _____
_____ Check	To Issuer	\$ _____
_____ IGT	To Cons. Invest. Fund	\$ _____
	To Other: _____	\$ _____

NOTES: Monthly debt service payments will be made directly to the National Finance Office. The Municipal Bond Commission will only hold the Series 2011 A Bonds Reserve Account. Payments into the Series 2011 A Bonds Reserve Account will commence 24 months following the date hereof.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

CITY OF GLEN DALE

Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

RECEIPT OF DEPOSITORY BANK

The undersigned duly authorized representative of Branch Banking & Trust Company, Glen Dale, West Virginia (the "Bank"), hereby certify that on April 21, 2011, the Bank received an automated clearinghouse transfer in the amount of \$120,900 for the Series 2011 A Bonds to the credit of the Project Construction Account (Account Number 0005176998743).

WITNESS my signature on this 21st day of April, 2011.

BRANCH BANKING & TRUST COMPANY

By: *Diana L. Claycomb*
Its: Authorized Officer

03.23.11
333190.00004

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL & WASHINGTON STREETS 1 DAVIS SQUARE, SUITE 200 CHARLESTON, WV 25301
Telephone (304) 558-2981

PERMIT

(Water)

PROJECT: Water System Improvements

PERMIT NO.: 18,470

LOCATION: Glen Dale

COUNTY: Marshall

DATE: 12-16-2009

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

City of Glen Dale
201 7th Street
Glen Dale, West Virginia 26038

is hereby granted approval to: install approximately 4,401 LF of 8", 114 LF of 6", 156 LF of 4" and 210 LF of 2" water line; replace the existing 50,000 gallon Skyline water storage tank with a 105,000 gallon water storage tank; repaint the existing 500,000 gallon main water storage tank; replace the existing Skyline water booster station with a 66 GPM duplex constant pressure water booster station with VFD; and all necessary valves, controls and appurtenances.

Facilities are to serve the City of Glen Dale.

NOTE: This permit is contingent upon: 1) All new water lines and water storage tank being disinfected, flushed and bacteriologically tested, prior to use; and 2) Enclosing the new 105,000 gallon water storage tank with a minimum six (6) feet high fence with a lockable gate.

The Environmental Engineering Division of the OEHS-Wheeling District Office, (304) 238-1145, is to be notified when construction begins.

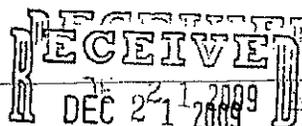
Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR


William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:cls

pc: Cerrone Associates, Inc.
Amy Swann, PSC
James W. Ellars, P.E., PSC-Engineering Division
Marshall County Health Department
OEHS-EED Wheeling District Office



BY:

**RESOLUTION OF THE CITY OF GLEN DALE
APPROVING INVOICES RELATING TO SERVICES FOR THE
WATER SYSTEM IMPROVEMENT PROJECT
AND AUTHORIZING PAYMENT THEREOF,**

WHEREAS, the City of Glen Dale, has reviewed the invoices attached hereto and incorporated herein by reference relation to the Project funded by the United States Department of Agriculture (USDA), and find as follows:

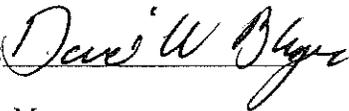
- a) That none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.
- b) That each item for which the payment is proposed to be paid is or was necessary in connection with the Project and constitutes a Cost of the project.
- c) That each of such costs has been otherwise properly incurred.
- d) That the payment for each of the items proposed is due and owing.

NOW, THEREFOR, BE IT RESOLVED the City of Glen Dale by as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

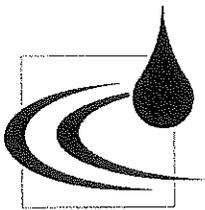
Vendor	Total	USDA loan
Step toe & Johnson (Bond counsel)	20,000.00	20,000.00
Cerrone	100,877.63	100,877.63
Total	\$120,877.63	\$120,877.63

ADOPTED BY the City of Glen Dale, at the meeting held on the 28th day of March, 2011.

City of Glen Dale

By: 

Its: Mayor



WEST VIRGINIA
Water Development Authority
Celebrating 36 Years of Service 1974 - 2010

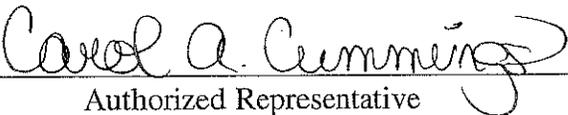
April 21, 2011

City of Glen Dale
Water Revenue Bonds, Series 2011 A
(United States Department of Agriculture)

TO WHOM IT MAY CONCERN:

In reliance upon the certificate of Abraham & Company, the independent certified public accountant, and the opinion of Steptoe & Johnson PLLC, bond counsel, that the coverage and parity tests have been met, the undersigned duly authorized representative of the West Virginia Water Development Authority (the "Authority"), the registered owner of the Series 1998 A Bonds, hereinafter defined and described, hereby consents to the issuance of the Water Revenue Bonds, Series 2011 A (United States Department of Agriculture), in the original aggregate principal amount of \$1,665,000, by the City of Glen Dale (the "Issuer"), under the terms of the ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, issued in the original aggregate principal amount of \$500,000 (the "Series 1998 A Bonds").

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY


Authorized Representative

03.23.11
333190.00004

CITY OF GLEN DALE

**WATER REVENUE BONDS, SERIES 1998 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)**

BOND ORDINANCE

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CITY OF GLEN DALE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF GLEN DALE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1998 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF GLEN DALE:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law.

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

A. The City of Glen Dale (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Marshall 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 and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the existing public waterworks system of the Issuer, consisting of certain

improvements to serve residents and other customers of the Issuer, together with all appurtenant facilities, (collectively, the "Project") (the existing public waterworks system of the Issuer, the Project and any further additions, betterments and improvements 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 estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest on the Bonds (as hereinafter defined) and to make payments into all funds, accounts and other payments provided for herein.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), in the total aggregate principal amount of not more than \$500,000 (the "Series 1998 A Bonds"), initially to be represented by a single bond, to permanently finance 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 upon the Series 1998 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 1998 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the West Virginia Water Development Authority (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 1998 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 1998 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 1998 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement to be entered into by and between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority, as shall be approved by supplemental resolution of the Issuer.

G. There are no outstanding bonds or other obligations of the Issuer which will rank prior to or on a parity with or junior and subordinate to the Series 1998 A Bonds as to liens, pledge, source of and security for payment.

H. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 1998 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of convenience and necessity 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 date of issuance of the Series 1998 A Bonds or such final order will not be subject to appeal or rehearing.

I. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the Net Proceeds of the Series 1998 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(D) of the Code and all other entities benefiting thereby reasonably expect to issue less than \$5,000,000 aggregate principal amount of tax-exempt obligations (other than private activity bonds) during the calendar year in which the Series 1998 A Bonds are to be issued.

J. The Project has been approved by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of Series 1998 A Bonds by the registered owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means Chapter 8, Article 19 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 1998 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority.

"Authorized Officer" means the Mayor of the Issuer, or any other officer of the Issuer specifically designated by resolution of 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," "Ordinance," "Bond Ordinance" or "Local Act" means this Bond Ordinance and all ordinances, orders and resolutions supplemental hereto or amendatory hereof.

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

"Bonds" means the Series 1998 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"Closing Date" means the date upon which there is an exchange of the Series 1998 A Bonds for the proceeds representing the purchase price of the Series 1998 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 Cerrone & Associates, Inc., Wheeling, 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 any

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

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

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

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

"Governing Body" means the Council of the Issuer, as it may now or hereafter be constituted.

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

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

"Issuer" means the City of Glen Dale, a municipal corporation and political subdivision of the State of West Virginia, in Marshall County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement to be entered into between the Authority and the Issuer, providing for the purchase of the Series 1998 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 1998 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 1998 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 1998 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 which is acquired with the gross proceeds or any other proceeds of the Series 1998 A Bonds and is not acquired in order to carry out the governmental purpose of the Series 1998 A Bonds.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, operation and maintenance of the System, as hereinafter defined, 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 Series 1998 A 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 moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption, shall be in trust hereunder, 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 such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution.

"Private Business Use" means use directly or indirectly in a trade or business carried on by a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons "related" to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to "incidental use," if any, of the proceeds of the issue and/or proceeds used for "qualified improvements," if any.

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

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

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

- (a) Government Obligations;

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

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

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

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

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

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

its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

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

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

"Recorder" means the Recorder of the Issuer.

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

"Registrar" means the Bond Registrar.

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

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

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

"Series 1998 A Bonds" means the Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), of the Issuer, authorized by this Ordinance.

"Series 1998 A Bonds Construction Trust Fund" means the Series 1998 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 1998 A Bonds Reserve Account" means the Series 1998 A Bonds Reserve Account established in the Series 1998 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1998 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 1998 A Bonds in the then current or any succeeding year.

"Series 1998 A Bonds Sinking Fund" means the Series 1998 A Bonds Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 1998 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 1998 A Bonds and not so included, may be included in another Supplemental Resolution.

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

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

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 not to exceed \$610,400, 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 1998 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, compatible with the financing plan submitted to the Authority.

The cost of the Project is estimated not to exceed \$610,400, of which approximately \$500,000 will be obtained from proceeds of the Series 1998 A Bonds, and approximately \$110,400 from funds of the Issuer.

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 1998 A Bonds, funding a reserve account for the Series 1998 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 1998 A Bonds of the Issuer. The Series 1998 A Bonds shall be issued as a single bond, designated "Water Revenue Bond, Series 1998 A (West Virginia Water Development Authority)," in the principal amount of not more than \$500,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 1998 A Bonds remaining after funding of the Series 1998 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 1998 A Bonds, if any, shall be deposited in or credited to the Series 1998 A Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 1998 A Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum, payable semiannually on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Bonds shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 1998 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of the Series 1998 A Bonds, all as provided in the Supplemental Resolution. The Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from the date so specified therein.

Section 3.03. Execution of Bonds. The Series 1998 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 1998 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 form set forth in Section 3.10 hereof, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 1998 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 any of said Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

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

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

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

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 1998 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 1998 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No holder or holders of any of the Series 1998 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1998 A Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues. The payment of the debt service of the Series 1998 A Bonds shall be secured by a first lien on the Gross

Revenues derived from the System. Such Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 1998 A 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 1998 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 1998 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 1998 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 1998 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 1998 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 1998 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GLEN DALE
WATER REVENUE BOND,
SERIES 1998 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. AR- _____

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF GLEN DALE, a municipal corporation and political subdivision of the State of West Virginia in Marshall County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, such interest shall be payable on April 1 and October 1 in each year, beginning _____ 1, 199 _____. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, dated _____, 199 ____.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); (ii) [to pay interest on the Bonds of this Series (the "Bonds") during construction of the Project and for not more than 6 months thereafter; (iii) to fund a reserve account for the Bonds; and (iv)] to pay certain costs of issuance hereof and related costs. The Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 199____, and a Supplemental Resolution duly adopted by the Issuer on _____, 199____ (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 payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1998 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. The Gross Revenues (as defined in the Bond Legislation) shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 1998 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, and so long as there exists in the Series 1998 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

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

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

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

All provisions of the Bond Legislation, 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, the CITY OF GLEN DALE has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated _____, 199____.

[SEAL]

Mayor

ATTEST:

Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1998 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: _____, 199____.

ONE VALLEY BANK, NATIONAL
ASSOCIATION,
as Registrar

Authorized Officer

EXHIBIT A
SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

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

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

Dated: _____, _____.

In the presence of:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 1998 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor 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 Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule A" Filing. Upon completion of acquisition and construction of the Project, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with 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;
- (2) Renewal and Replacement Fund; and
- (3) Series 1998 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 1998 A Bonds Sinking Fund; and
- (2) Within the Series 1998 A Bonds Sinking Fund, the Series 1998 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 provided in this Bond Legislation. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

- (1) The Issuer shall first, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 1998 A Bonds for which interest has not been capitalized, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1998 A Bonds Sinking Fund, an amount equal to 1/6th of the amount of interest which will become due on the Series 1998 A Bonds on the next ensuing semiannual interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1998 A Bonds Sinking Fund and the next

semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1998 A Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1998 A Bonds Sinking Fund, an amount equal to 1/12th of the amount of principal which will mature and become due on the Series 1998 A Bonds on the next ensuing annual principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1998 A Bonds Sinking Fund and the next annual principal payment date is less than 13 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1998 A Bonds, if not fully funded upon issuance of the Series 1998 A Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1998 A Bonds Reserve Account, an amount equal to 1/120th of the Series 1998 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 1998 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 1998 A Bonds Reserve Requirement.

(4) The Issuer shall next, each month, pay from the Revenue Fund the Operating Expenses of the System.

(5) The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month, commencing with the first month in which any of the above payments shall be payable from the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payment for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, 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 moneys from the Renewal and Replacement Fund.

Moneys in the Series 1998 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 1998 A Bonds as the same shall become due. Moneys in the Series 1998 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 1998 A Bonds as the same shall come due, when other moneys in the Series 1998 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account (if equal to at least the Reserve Requirement) 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 1998 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 due on the Series 1998 A Bonds, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 1998 A Bonds Reserve Account which result in a reduction in the balance of the Series 1998 A Bonds Reserve Account to below the Series 1998 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 1998 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 appropriate reserve account in an amount equal to the maximum amount of principal and interest which will become due in any year for account of the Bonds of such series, including such additional parity Bonds.

The Issuer shall not be required to make any further payments into the Series 1998 A Bonds Sinking Fund or the Series 1998 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 1998 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the

Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account shall be automatically deducted from the Revenue Fund and transferred to the Commission on the dates required hereunder.

Moneys in the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 1998 A Bonds Sinking Fund, including the Series 1998 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 1998 A Bonds under the conditions and restrictions hereinafter set forth.

B. The Issuer shall on the first day of each month (if such day is not a business day, then the next succeeding business day) deposit with the Commission the required principal, interest and reserve payments with respect to the Series 1998 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

C. 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.

D. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges, fees and expenses 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 deducted from the Revenue Fund and transferred to the Commission on the dates required.

E. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in any of the funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

F. 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 Gross Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from the sale of any or all of the Series 1998 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 1998 A Bonds or from other funds available to the Issuer, there shall first be deposited with the Commission in the Series 1998 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 1998 A Bonds for the period commencing on the date of issuance of the Series 1998 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 1998 A Bonds or from other funds available to the Issuer, there shall be deposited with the Commission in the Series 1998 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 1998 A Bonds Reserve Account.

C. Next, from the proceeds of the Series 1998 A Bonds, there shall first be credited to the Series 1998 A Bonds Construction Trust Fund and then paid, any and all other borrowings by the Issuer made for the purpose of temporarily financing a portion of the costs of the Project and any borrowings by the Issuer from the Authority, including interest accrued thereon to the date of such payment, not otherwise paid from funds of the Issuer.

D. The remaining moneys derived from the sale of the Series 1998 A Bonds shall be deposited with the Depository Bank in the Series 1998 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 hereof.

E. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Series 1998 A Bonds Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Series 1998 A Bonds Construction Trust Fund set forth in the Bond Legislation. Moneys in the Series 1998 A Bonds Construction Trust Fund shall be used solely to pay costs of the Project

and until so transferred or expended, are hereby pledged as additional security for the Series 1998 A Bonds.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for costs of the Project shall be made monthly. Except as provided in Section 6.01 hereof, disbursements from the Series 1998 A Bonds Construction Trust Fund (except for the costs of issuance of the Series 1998 A Bonds which shall be made upon request of the Issuer), shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

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

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

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

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

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Series 1998 A Bonds Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Series 1998 A Bonds Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Series 1998 A Bonds Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

Pending such application, moneys in the Series 1998 A Bonds Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

After completion of the Project, as certified by the Consulting Engineers, and all Costs have been paid, the Depository Bank shall transfer any moneys remaining in the Series 1998 A Bonds Construction Trust Fund to the Series 1998 A Bonds Reserve Account, and when fully funded, shall return such remaining moneys to the Issuer for deposit in the Revenue Fund; provided that, in no event shall more than 10% of the proceeds of the Series 1998 A Bonds be deposited in the Series 1998 A Bonds Reserve Account and any balance in excess of said amounts shall be returned to the Issuer for deposit in the Revenue Fund. The Issuer shall thereafter, apply such moneys in full, first to the next ensuing interest

payments due on the Series 1998 A Bonds and thereafter to the next ensuing principal payments due thereon.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 1998 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 1998 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 1998 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 1998 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 1998 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 1998 A Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues. The payment of the debt service of the Series 1998 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System. The Gross Revenues in an amount sufficient to pay the principal of and interest on the Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The initial schedule of water rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted April 27, 1998, which rates are incorporated herein by reference as a part hereof.

Section 7.05. Sale of the System. Except as otherwise required by law or with the written consent of the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding, or to effectively defease this Bond Legislation 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 1998 A Bonds, immediately be remitted to the Commission for deposit in the Series 1998 A Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to

apply such proceeds to the payment of principal of and interest on the Series 1998 A Bonds. Any balance remaining after the payment of all the Series 1998 A Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and authorize the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into such 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 for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 1998 A Bonds. All obligations issued by the Issuer after the issuance of the Series 1998 A Bonds and payable from the revenues of the System, except 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 1998 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 Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, or any other obligations related to the Project or the System.

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

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1998 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of extensions, additions, betterments or improvements to the System or refunding the Series 1998 A Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Recorder 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 to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Ordinance then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates enacted by the Issuer, the period for appeal of which has 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 Recorder prior to the issuance of such Parity Bonds.

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

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 1998 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 1998 A Bonds.

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

Notwithstanding the foregoing, or any provision of Section 7.06 hereof to the contrary, additional Parity Bonds may be issued solely for the purpose of completing the Project as described in the application to the Authority submitted as of the date of the Loan Agreement without regard to the restrictions set forth in this Section 7.07, if there is first obtained by the Issuer the written consent of the Authority to the issuance of the Parity Bonds.

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, or its agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority such documents and information as it may reasonably require in connection with the acquisition, construction and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Authority, or its agents and representatives, to inspect all records pertaining to the operation 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 Consulting Engineers and the Authority or any other original purchaser of the Series 1998 A Bonds and shall mail in each year to any Holder

or Holders of the Series 1998 A Bonds requesting the same, an annual report containing the following:

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

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

(C) The amount of any Bonds, notes or other obligations payable from the revenues of the System Outstanding.

The Issuer 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 OMB Circular 128 or any successor thereto and the Single Audit Act and shall mail, upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 1998 A Bonds and shall submit said report to the Authority, or any other original purchaser of the Series 1998 A Bonds. Such audit report submitted to the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service requirements.

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

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, 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 on the Series 1998 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 1998 A Bonds; provided that, in the event that an amount equal to or in excess of the Series 1998 A Bonds Reserve Requirement is on deposit in the Series 1998 A Bonds Reserve Account and any reserve accounts for obligations on a parity with the Series 1998 A Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Series 1998 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 1998 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds or anyone acting for and in behalf of such Holder 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 as Exhibit C, and forward a copy of such report to the Authority by the 10th day of each month.

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

The Issuer shall provide and maintain competent and adequate resident engineering services satisfactory to the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such resident engineer shall certify to the Authority and the 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 agrees that qualified operating personnel properly certified by the State will be employed to operate the System so long as any of the Series 1998 A Bonds are Outstanding.

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 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off

the services of the System, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.14. No Free Services. The 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 any of the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. 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 and the Authority 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 for 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 also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. 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 of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System in good condition and in compliance with all federal and state requirements and standards.

The Issuer will obtain 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 necessary for the acquisition and construction of the Project and the operation of the System.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer agrees to comply with all the terms and conditions of the Loan Agreement, the Act and all applicable laws, rules and regulations issued by the Authority, or other State, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

Section 7.19. 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 1998 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 1998 A Bonds during the term thereof is, under the terms of the Series 1998 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 1998 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 1998 A Bonds during the term thereof is, under the terms of the Series 1998 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 1998 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 1998 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 that portion of the Project to which such Private Business Use is related, all of the foregoing to 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 1998 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. **FEDERAL GUARANTEE PROHIBITION.** The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 1998 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. **INFORMATION RETURN.** The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 1998 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 1998 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. **Statutory Mortgage Lien.** For the further protection of the Holders of the Series 1998 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 1998 A Bonds.

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).

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8.01. Investments. Any moneys held as a part of the funds and accounts created by this Bond Legislation, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such moneys for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, 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 1998 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 1998 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 1998 A Bonds which would cause the Series 1998 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 1998 A Bonds) so that the interest on the Series 1998 A

Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. In accordance with Section 148 (f)(4)(D) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that no part of the Series 1998 A Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Series 1998 A Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Series 1998 A Bonds are issued does not and will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 A Bonds. For purposes of the first paragraph of Section 8.03 and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this first paragraph of Section 8.03 and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 A Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Series 1998 A Bonds. In the event of a failure to pay the correct rebate amount, the Issuer will pay, from any lawful sources available therefor, to the United States such amount, plus a penalty equal to 50% of the rebate amount not paid when required to be paid, plus interest on that amount, unless waived. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be

requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 1998 A Bonds subject to rebate. The Issuer shall also furnish the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Series 1998 A Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

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

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

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

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

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

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, 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 do.

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

DEFEASANCE

Section 10.01. Defeasance of Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all of the Series 1998 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1998 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 1998 A Bonds from gross income for federal income tax purposes.

Series 1998 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 1998 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1998 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 1998 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1998 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 1998 A Bonds, this Ordinance may be amended or supplemented in any way by Supplemental Resolution. Following issuance of the Series 1998 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Bonds shall be made without the consent in writing of the Registered Owners of the Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein 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 on the Series 1998 A Bonds from gross income of the Holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution thereto, or the Series 1998 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 ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Recorder and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

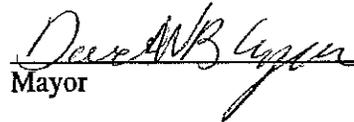
Section 11.07. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Moundsville Daily Echo, a newspaper of general circulation in the City of Glen Dale, there being no newspaper published therein, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Bonds, and that any person interested may appear before the Council upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading: - May 28, 1998

Passed on Second Reading: - June 8, 1998

Passed on Final Reading
Following Public
Hearing: - June 22, 1998



Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY
OF GLEN DALE on the 22nd day of June, 1998.

Dated: August 26, 1998.

[SEAL]

Clifton D Wilson
Recorder

08/07/98
333190/98001

EXHIBIT A

[Loan Agreement attached to bond transcript as Document 3.]

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 1998 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY), OF THE CITY OF GLEN DALE; AUTHORIZING AND APPROVING A 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 city council (the "Governing Body") of the City of Glen Dale (the "Issuer"), has duly and officially adopted and enacted a bond ordinance, effective June 22, 1998 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF GLEN DALE AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 1998 A (WEST VIRGINIA WATER DEVELOPMENT AUTHORITY); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS

AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER
PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), of the Issuer (the "Bonds" or the "Series 1998 A Bonds"), in the aggregate principal amount not to exceed \$500,000, and has authorized the execution and delivery of a loan agreement relating to the Bonds to be dated the date of delivery of the Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), all in accordance with Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF
THE CITY OF BELMONT:

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), of the Issuer,

originally represented by a single Bond, numbered AR-1, in the principal amount of \$500,000. The Series 1998 A Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2035, shall bear interest at the rate of 6.25% per annum, payable semiannually on April 1 and October 1 of each year, beginning October 1, 1998. The Series 1998 A Bonds shall be payable in annual installments of principal on October 1 of each year, commencing October 1, 1998, and ending October 1, 2035, and in the amounts as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Series 1998 A Bonds shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority is the registered owner of the Bonds.

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

Section 3. The Issuer does hereby authorize, approve and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate One Valley Bank - North, Inc., Glen Dale, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 1998 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 1998 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 1998 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 1998 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 1998 A Bonds shall be deposited in or credited to the Series 1998 A Bonds Construction Trust Fund for payment of costs of the Project, including costs of issuance of the Bonds.

Section 10. The Mayor and Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about August 26, 1998, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Moneys in the Series 1998 A Bonds Sinking Fund, including the Series 1998 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated thereunder.

Section 14. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Project and the System; no part of the Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than \$5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 1998, being the calendar year in which the Bonds are to be issued. For purposes of this Section and for purposes of applying Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code, be treated

as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this Section and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Section 15. All contracts relating to the financing, acquisition and construction of the Project are hereby approved and the Mayor is hereby authorized and directed to execute and deliver all such contracts.

Section 16. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 13th day of July, 1998.



Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council
of CITY OF GLEN DALE on the 13th of July, 1998.

Dated: August 26, 1998.

[SEAL]


Recorder

08/07/98
333190/98001

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF GLEN DALE
WATER REVENUE BOND,
SERIES 1998 A
(WEST VIRGINIA WATER DEVELOPMENT AUTHORITY)

No. AR-1

\$500,000

KNOW ALL MEN BY THESE PRESENTS: That the CITY OF GLEN DALE, a municipal corporation and political subdivision of the State of West Virginia in Marshall 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 FIVE HUNDRED THOUSAND DOLLARS (\$500,000), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 1998. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, dated August 26, 1998.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public

waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and a Bond Ordinance duly enacted by the Issuer on June 22, 1998, and a Supplemental Resolution duly adopted by the Issuer on July 13, 1998 (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 payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System and from moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1998 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. The Gross Revenues (as defined in the Bond Legislation) shall be sufficient to pay all operating expenses of the System and the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Gross Revenues, the moneys in the Series 1998 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, and so long as there exists in the Series 1998 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which referencé is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this

Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

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

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

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

All provisions of the Bond Legislation, 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, the CITY OF GLEN DALE has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated August 26, 1998.

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1998 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: August 26, 1998

ONE VALLEY BANK, NATIONAL
ASSOCIATION,
as Registrar

Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

West Virginia Water Development Authority

City of Glen Dale

Closing Date: August 26, 1998

Total Amount Borrowed: \$500,000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
10/01/1998	344.18	6.250%	3,038.19	3,382.37
4/01/1999	-	-	15,614.24	15,614.24
10/01/1999	3,707.70	6.250%	15,614.24	19,321.94
4/01/2000	-	-	15,498.38	15,498.38
10/01/2000	3,939.43	6.250%	15,498.38	19,437.81
4/01/2001	-	-	15,375.27	15,375.27
10/01/2001	4,185.65	6.250%	15,375.27	19,560.92
4/01/2002	-	-	15,244.47	15,244.47
10/01/2002	4,447.25	6.250%	15,244.47	19,691.72
4/01/2003	-	-	15,105.49	15,105.49
10/01/2003	4,725.20	6.250%	15,105.49	19,830.69
4/01/2004	-	-	14,957.83	14,957.83
10/01/2004	5,020.53	6.250%	14,957.83	19,978.36
4/01/2005	-	-	14,800.94	14,800.94
10/01/2005	5,334.31	6.250%	14,800.94	20,135.25
4/01/2006	-	-	14,634.24	14,634.24
10/01/2006	5,667.71	6.250%	14,634.24	20,301.95
4/01/2007	-	-	14,457.13	14,457.13
10/01/2007	6,021.94	6.250%	14,457.13	20,479.07
4/01/2008	-	-	14,268.94	14,268.94
10/01/2008	6,398.31	6.250%	14,268.94	20,667.25
4/01/2009	-	-	14,068.99	14,068.99
10/01/2009	6,798.20	6.250%	14,068.99	20,867.19
4/01/2010	-	-	13,856.55	13,856.55
10/01/2010	7,223.09	6.250%	13,856.55	21,079.64
4/01/2011	-	-	13,630.83	13,630.83
10/01/2011	7,674.54	6.250%	13,630.83	21,305.37
4/01/2012	-	-	13,391.00	13,391.00
10/01/2012	8,154.19	6.250%	13,391.00	21,545.19
4/01/2013	-	-	13,136.18	13,136.18
10/01/2013	8,663.83	6.250%	13,136.18	21,800.01
4/01/2014	-	-	12,865.44	12,865.44
10/01/2014	9,205.32	6.250%	12,865.44	22,070.76
4/01/2015	-	-	12,577.77	12,577.77
10/01/2015	9,780.65	6.250%	12,577.77	22,358.42
4/01/2016	-	-	12,272.12	12,272.12
10/01/2016	10,391.94	6.250%	12,272.12	22,664.06
4/01/2017	-	-	11,947.38	11,947.38
10/01/2017	11,041.44	6.250%	11,947.38	22,988.82
4/01/2018	-	-	11,602.33	11,602.33
10/01/2018	11,731.53	6.250%	11,602.33	23,333.86
4/01/2019	-	-	11,235.72	11,235.72
10/01/2019	12,464.75	6.250%	11,235.72	23,700.47
4/01/2020	-	-	10,846.20	10,846.20
10/01/2020	13,243.80	6.250%	10,846.20	24,090.00
4/01/2021	-	-	10,432.33	10,432.33

West Virginia Water Development Authority

City of Glen Dale

Closing Date: August 26, 1998

Total Amount Borrowed: \$500,000

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I
10/01/2021	14,071.54	6.250%	10,432.33	24,503.87
4/01/2022	-	-	8,992.59	8,992.59
10/01/2022	14,951.01	6.250%	9,992.59	24,943.60
4/01/2023	-	-	9,525.37	9,525.37
10/01/2023	15,885.44	6.250%	9,525.37	25,410.81
4/01/2024	-	-	9,028.95	9,028.95
10/01/2024	16,878.28	6.250%	9,028.95	25,907.23
4/01/2025	-	-	8,501.51	8,501.51
10/01/2025	17,933.18	6.250%	8,501.51	26,434.69
4/01/2026	-	-	7,941.10	7,941.10
10/01/2026	19,054.00	6.250%	7,941.10	26,995.10
4/01/2027	-	-	7,345.66	7,345.66
10/01/2027	20,244.88	6.250%	7,345.66	27,590.54
4/01/2028	-	-	6,713.01	6,713.01
10/01/2028	21,510.18	6.250%	6,713.01	28,223.19
4/01/2029	-	-	6,040.81	6,040.81
10/01/2029	22,854.57	6.250%	6,040.81	28,895.38
4/01/2030	-	-	5,326.61	5,326.61
10/01/2030	24,282.98	6.250%	5,326.61	29,609.59
4/01/2031	-	-	4,567.76	4,567.76
10/01/2031	25,800.66	6.250%	4,567.76	30,368.42
4/01/2032	-	-	3,761.49	3,761.49
10/01/2032	27,413.20	6.250%	3,761.49	31,174.69
4/01/2033	-	-	2,904.83	2,904.83
10/01/2033	29,126.53	6.250%	2,904.83	32,031.36
4/01/2034	-	-	1,994.63	1,994.63
10/01/2034	30,946.94	6.250%	1,994.63	32,941.57
4/01/2035	-	-	1,027.54	1,027.54
10/01/2035	32,881.12	6.250%	1,027.54	33,908.66
Total	500,000.00	-	796,021.45	1,296,021.45

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:
