CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

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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 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

David W Blair
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]

Clayton C 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.

David W. Blyn
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]

Clifton C. Wilson
Recorder

08/07/98
333190/98001

WDA-5
(May 1993)

LOAN AGREEMENT

THIS LOAN AGREEMENT, Made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), and the governmental agency designated below (the "Governmental Agency").

City of Glen Dale
(Governmental Agency)

W I T N E S S E T H:

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

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

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to construct, operate and improve a water development project, as defined by the Act, and to finance the cost of constructing or acquiring the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

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

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

WHEREAS, having reviewed the Application and made all findings required by Section 5 of the Act and having available sufficient funds therefor, the Authority is willing to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with proceeds of certain water development revenue bonds of the State issued by the Authority pursuant to and in accordance with the provisions of the Act and a certain general revenue bond resolution adopted by the Board of the Authority (the "General Resolution"), as supplemented, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Authority's water development loan program (the "Program") as hereinafter set forth.

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

ARTICLE I

Definitions

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

1.2 "Consulting Engineers" means the professional engineer, licensed by the State, who shall not be a regular, full-time employee of the State or any of its agencies, commissions or political sub-divisions, and designated in the Application and any qualified successor thereto.

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

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

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

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

1.7 "Origination Fee" means the fee paid by a Governmental Agency with respect to its participation in the State's Revolving Fund program established pursuant to Title VI of the Water Quality Act of 1987, to provide funds for the acquisition and construction of wastewater Projects.

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

1.9 "Project" means the water development project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Governmental Agency in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

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

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

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Division of Natural Resources* (or in the process of preparation by such

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* Now administered by the West Virginia Division of Environmental Protection.

Director), has been approved by the West Virginia Bureau of Public Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

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

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

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

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

2.6 The Governmental Agency agrees that it will permit the Authority and its agents and representatives to have access to the records of the Governmental Agency pertaining to the operation

and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

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

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

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

2.10 The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with any and all State and federal standards. The Governmental Agency agrees that qualified operating personnel properly certified by the State will be retained to operate the System during the entire term of this Loan Agreement.

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

Engineers to such effect the form of which certificate is attached hereto as Exhibit A;

(d) No Loan shall be made for the purpose of refinancing any outstanding long-term indebtedness of a Governmental Agency unless an opinion of counsel is received by the Authority to the effect that such refinancing is permitted by the Act and the Resolution, and that such refinancing will not cause a violation of any covenant, representation or agreement of the Authority contained in the Resolution or Tax Regulatory Agreement with respect to the exclusion of the interest on the Bonds from gross income of the holder thereof for federal income tax purposes;

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

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

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

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

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsection 4.1(b)(ii) hereof, and the Authority shall have received a certificate of the

accountants for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority, to such effect; and

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

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

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

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

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied

to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the right of the Authority to make such loans to other governmental agencies as in the aggregate will permit the fullest and most timely utilization of such proceeds to enable the Authority to pay debt service on the water development revenue bonds issued by it. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until it has available funds sufficient to purchase all the Local Bonds and that, prior to such execution, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available. The Governmental Agency further specifically recognizes that during the last 90 days of a period to originate Loans from its water development revenue bond proceeds, the Authority may execute Loan Agreements, commit moneys and close Local Bond sales in such order and manner as it deems in the best interest of the Program.

ARTICLE IV

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

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

(a) That the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as set forth on Schedule Y attached hereto and incorporated herein by reference. The gross revenues of the System shall always be used for purposes of the System.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by the gross or net revenues from the System, as more fully set forth in Schedules X and Y attached hereto;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least

one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the reserve account established for the payment of debt service on the Local Bonds (the "Reserve Account") is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement") and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

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

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Loan Agreement and that the Governmental Agency's revenues are adequate to meet its operation and maintenance expenses and debt service requirements;

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

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

(xiv) That the proceeds of the Local Bonds, except for accrued interest and capitalized interest, if any, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing for non-construction costs) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim funding of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the

Authority, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

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

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

(xvii) That the Governmental Agency shall take any and all action, or shall refrain from taking any action, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for Federal income tax purposes of interest on the Authority's water development revenue bonds;

(xviii) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached to the Loan Application, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority, the Project is adequate for the purposes for which it was designed and the funding plan as submitted to the Authority is sufficient to pay the costs of acquisition and construction of the Project;

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

(xx) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that

term is defined in the Code) from time to time as the Authority may request.

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

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

4.3 An Origination Fee Account shall be established with the Trustee to hold the portion of the proceeds of any Loan established to fund an Origination Fee. Amounts on deposit in an Origination Fee Account shall belong to the Governmental Agency receiving the related Loan, but such amounts may only be disbursed from the Account to pay the Origination Fee as and when required to satisfy the requirements of the State's Revolving Fund program established pursuant to Title VI of the Water Quality Act of 1987 or for such other purposes as the Authority may approve in writing.

4.4 The principal of the Loan shall be repaid by the Governmental Agency annually on the day and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a semiannual basis as provided in said Schedule X.

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

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

4.7 The Governmental Agency agrees to pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be as determined by the Authority and shall include without limitation Program expenses, legal fees paid by the Authority and fees paid to the trustee and paying agents for the water development revenue bonds. The Authority shall provide both the Governmental Agency and the trustee for the water development revenue bonds with a schedule of such fees and charges, and the Governmental Agency shall pay such fees and charges on the dates indicated directly to the trustee. The Governmental Agency hereby specifically authorizes the Authority to exercise the powers granted it by Section 9.06 of the General Resolution.

4.8 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the Authority's bonds.

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

ARTICLE V

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

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System, as set forth in

the Local Act and in compliance with the provisions of Subsection 4.1(b)(ii) hereof.

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

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

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

ARTICLE VI

Other Agreements of the Governmental Agency

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

6.2 At the option of the Authority, the Governmental Agency shall issue and sell to the Authority additional, subordinate bonds to evidence the Governmental Agency's obligation to repay to the Authority any grant received by the Governmental Agency from the Authority in excess of the amount to which the Governmental Agency is entitled pursuant to applicable policies or rules and regulations of the Authority. Also at the option of the

Authority, the Governmental Agency may issue and sell to the Authority additional, subordinate bonds for such purposes as may be acceptable to the Authority.

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

6.4 The Governmental Agency hereby agrees to repay on or prior to the Date of Loan Closing any moneys due and owing by it to the Authority for the planning or design of the Project, and such repayment shall be a condition precedent to the Authority's making the Loan.

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

6.6 Notwithstanding Section 6.5, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

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

6.8 The Governmental Agency hereby agrees to file with the Authority upon completion of acquisition and construction of

the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

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

7.2 Schedule X shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Governmental Agency supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

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

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

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

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

7.7 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be

specifically enforced or subject to a similar equitable remedy by the Authority.

7.8 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority pursuant to Section 6.3 hereof; or

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

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

City of Glen Dale
[Proper Name of Governmental Agency]

(SEAL)

By: Danielle B Byer

Its: Mayor

Attest:

Clifton C Wilson

Its: Recorder

Date: August 26, 1998

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: Daniel B Lyon Jr

Director

Attest:

Barbara B Meadows

Secretary-Treasurer

Date: August 26, 1998

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. ____, of _____, Consulting Engineers, _____, _____, hereby certify that my firm is engineer for the acquisition and construction of _____ _____ to the _____ _ system (herein called the "Project") of _____ (the "Issuer") to be constructed primarily in _____ County, West Virginia, which construction and acquisition are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the meaning set forth in the _____ passed by the _____ of the Issuer on _____, 19__, effective _____, 19__, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority") dated _____, 19__.

1. The Bonds are being issued for the purpose of ____ _____ _____ (the "Project").

2. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm and as described in the application submitted to the Authority requesting the Authority to purchase the Bonds (the "Application") and approved by all necessary governmental bodies, (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least forty years, (iii) the Issuer has received bids for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application and my firm has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified by my firm for accuracy, (iv) the Issuer has obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, (v) the rates and charges for the System as adopted by the _____ of the Issuer are sufficient to comply with the provisions of Subsection 4.1(b)(ii) of the Loan Agreement, (vi) that the net proceeds of the Bonds, together with all other moneys on deposit or to be

simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, are sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and (vii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature on this ____ day of _____, 19__.

_____

By: _____

West Virginia License No. _____

[SEAL]

EXHIBIT B

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

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

Gentlemen:

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

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

Year	Installment	Interest Rate

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

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as

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

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

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

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

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

4. The Governmental Agency has legally and effectively enacted the Local Act and all other necessary _____ in connection with the issuance and sale of the Local Bonds. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

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

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

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

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

Very truly yours,

WDA-5X
(May 1993)

SCHEDULE X
DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $500,000

Purchase Price of Local Bonds $500,000

Interest on the Local Bonds is payable on April 1 and October 1 in each year, beginning with the first semiannual interest payment date after delivery of the Local Bonds to the Authority, until the Local Bonds are paid in full, at the rate of 6.25 % per annum. Principal of the Local Bonds is payable on October 1 in each year as set forth on Exhibit 1 attached hereto and incorporated herein by reference.

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

As of the date of the Loan Agreement, the Local Bonds are subordinate as to source of and security for payment to the following obligations:

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	-	-	9,992.59	9,992.59
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**

SCHEDULE Y
REVENUES

In accordance with Subsection 4.1(a) of the Loan Agreement, the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as follows:

(i) to the extent not otherwise limited by an outstanding local ordinance, indenture or other act or document, as reflected on Schedule X to the Loan Agreement, and beginning seven (7) months prior to the first date of payment of interest on the Local Bonds from revenues and thirteen (13) months prior to the first date of payment of principal of the Local Bonds, respectively, to provide debt service on the Local Bonds by depositing in a sinking fund one-sixth (1/6) of the interest payment next coming due on the Local Bonds and one-twelfth (1/12) of the principal payment next coming due on the Local Bonds and, beginning thirteen (13) months prior to the first date of payment of principal of the Local Bonds, if the Reserve Account was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit) in an amount equal to the Reserve Requirement, by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than ten (10) years) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

(iii) to provide debt service on and requisite reserves for any subordinate indebtedness of the Governmental Agency held or owned by the Authority;

(iv) to pay Operating Expenses of the System; and

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

SCHEDULE Z

Additional and Supplemental Definitions

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

2. "System" means the waterworks system owned by the Governmental Agency in its entirety or any integral part thereof, including mains, hydrants, meters, valves, standpipes, storage tanks, pump tanks, pumping stations, intakes, wells, impounding reservoirs, pumps, machinery, purification plants, softening apparatus and all other facilities necessary, appropriate, useful, convenient or incidental in connection with or to a water supply system, and any additions, betterments or improvements thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

Additional Conditions and Covenants

1. As a condition precedent to the Authority's making the Loan, the Governmental Agency shall have obtained, among other permits required, a permit from the West Virginia Bureau of Public Health.

2. The Local Act shall contain a covenant substantially as follows:

> That the Governmental Agency will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of the System until all delinquent charges for the services of the System have been fully paid.

3. Subject to any prior or parity obligations described in Schedules X and Y attached to the Loan Agreement, the gross revenues derived from the operation of the System are pledged to the payment of the principal of and interest on the Local Bonds.

4. The paying agent for the Local Bonds shall be the West Virginia Municipal Bond Commission or any successor to the functions thereof.

5. As a condition precedent to the Authority's making the Loan, the Governmental Agency shall deliver to the Authority a certificate representing the following:

(a) The Governmental Agency expects to enter into a contract within six months of the date thereof for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2-1/2 percent of the estimated total Project cost financed with proceeds from the sale of the Local Bonds or $100,000;

(b) Work with respect to the construction of the Project will proceed with due diligence to completion. Construction is expected to be completed within three years from the date of issuance of the Authority's water development revenue bonds;

(c) All of the proceeds from the sale of the Local Bonds which will be used for payment of costs of the Project will be expended for such purpose within three years from the date of issuance of the Authority's water development revenue bonds; and

(d) The Governmental Agency does not expect to sell or otherwise dispose of the Project, in whole or in part, prior to the last maturity date of the Local Bonds.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
7-28-98
by Commission Order

Entered: July 10, 1998

CASE NO. 97-1700-S-CN

GLEN DALE MUNICIPAL WATER WORKS,
a municipal corporation, Glen Dale,
Marshall County.
Application for a certificate of convenience and necessity to construct and operate water system improvements to serve residents and other customers of the City of Glen Dale to furnish water service.

RECOMMENDED DECISION

PROCEDURE

On December 29, 1997, the Glen Dale Municipal Water Works (Glen Dale), a municipal corporation, Glen Dale, Marshall County, filed an application with the Public Service Commission, pursuant to *West Virginia Code* (*Code*) §24-2-11, for a certificate of public convenience and necessity to improve its water system, and for approval of financing incidental to providing such service.

On December 29, 1997, the Commission directed that Glen Dale publish the Notice of Filing, once, in a newspaper duly qualified by the Secretary of State, published and generally circulated in Marshall County. The Notice of Filing provided that, if no one protested the proposed project within thirty days, the Commission may waive formal hearing and grant the certificate based upon its review of the evidence submitted with the application. Though Glen Dale had not yet filed a publication affidavit indicating compliance with the publication requirement, at least one individual filed a written protest to this matter with the Commission. This protest deals chiefly with the rates Glen Dale proposes.

On January 12, 1998, Staff Attorney Cecelia Gail Jarrell, Esquire, filed the Initial Joint Staff Memorandum, dated January 9, 1998, attaching thereto the Initial Internal Memorandum, dated January 8, 1998, from Utilities Analyst II Randy Lengyel and Engineer I David Dove, P.E., both of the Water and Wastewater Division. Commission Staff observed that Glen Dale's application does not contain an enacted rate ordinance, funding commitment letters or the necessary health permits. Commission Staff indicated that, once it had completed reviewing this matter, it would submit a recommendation.

On January 20, 1998, the Commission entered the Commission Referral Order in this proceeding, referring this matter to the Division of

Administrative Law Judges for decision on or before August 14, 1998. Responding to all of the above, on January 29, 1998, the Administrative Law Judge (ALJ) issued a Procedural Order establishing a procedural schedule to process and resolve this matter, including a 10:00 a.m., EDT, May 27, 1998 hearing date.

On Friday, May 22, 1998, Staff Attorney Jarrell filed a motion requesting that the ALJ change the starting time for the hearing from 10:00 a.m., EDT, to 1:00 p.m., EDT, to allow time for Commission Staff to meet all of its other obligations. Responding thereto, on May 22, 1998, the ALJ issued an Order Changing Starting Time of Hearing to 1:00 p.m.

On May 27, 1998, the ALJ convened the hearing at 1:00 p.m., as scheduled. The transcript of the May 27, 1998 hearing will be designated as "Tr., Vol. I". Glen Dale had clearly posted at the entrance to the building where the ALJ conducted the hearing a notice stating that the starting time had been changed from 10:00 a.m., to 1:00 p.m. However, at the hearing, the ALJ inquired of Glen Dale whether it had filed all of the necessary publication affidavits, and Glen Dale's counsel indicated that it had. The ALJ could not verify this statement at the hearing because he inadvertently traveled to the hearing without taking the Commission's file with him. (Tr., Vol. I, pp. 2-11).

The only evidence either party presented at the May 27, 1998 hearing was Staff Exhibit No. 1. (Tr., Vol. I, pp. 2-11).

Upon reviewing the Commission's file after the May 27, 1998 hearing, the ALJ found that Glen Dale had filed a publication affidavit indicating that it has published the Notice of Filing on January 12, 1998, in the *Daily Echo*, a newspaper duly published and generally circulated in Glen Dale, Marshall County, thereby providing a 30-day protest period; however, Glen Dale had not filed a publication affidavit indicating that it complied with the January 29, 1998 Procedural Order by publishing the Notice of Hearing. Responding thereto, on June 8, 1998, the ALJ issued an Order Directing that Glen Dale File Publication Affidavit, thereby granting Glen Dale seven days to verify that it had complied with the public notice by publication required by the January 29, 1998 Procedural Order.

On June 10, 1998, Glen Dale submitted a facsimile transmission responding to the June 8, 1998 Order by indicating that it indeed had not published the Notice of Hearing as directed by the January 29, 1998 Procedural Order.

Noting that *Code* §24-2-11 requires that the Commission enter a final order in certificate application proceedings no later than 270 days after the applicant files the application and permits the Commission to waive the formal hearing only where no one protests the Notice of Filing, on June 11, 1998, the ALJ issued an Order Scheduling New Hearing and Requiring Publication of Hearing Notice, thereby scheduling a second hearing to convene on July 6, 1998. Since the Commission's file contained two letters arguably protesting the application, the ALJ directed that Glen Dale publish the hearing notice. Although the ALJ conducted the hearing on May 27, 1998, as scheduled, and no one appeared at the hearing to voice opposition to the proposed project, since Glen Dale failed to notify the public of the hearing, the ALJ held that he would have to convene another

hearing. Conducting the hearing without public notice does not satisfy the requirement of *Code* §24-2-11.

On July 6, 1998, the ALJ convened the second hearing as scheduled. Glen Dale officials appeared at the hearing, *pro se*; Commission Staff appeared by counsel, Staff Attorney Cecelia G. Jarrell, Esquire; and no one appeared to protest the application. The transcript of the July 6, 1998 hearing will be designated as "Tr., Vol. II".

Though neither party called any witnesses at the second hearing, the parties stipulated Glen Dale Exhibit No. 1 and Staff Exhibit Nos. 2 and 3. (Tr., Vol. II, pp. 3-9). The parties waived their rights under *Code* §24-1-9(b) to file post-hearing proposed findings of fact and conclusions of law, or briefs, in this matter, and requested that the ALJ render an expedited decision.

EVIDENCE

Glen Dale published the Notice of Hearing of the July 6, 1998 hearing on June 16 and 23, 1998, in *The Moundsville Daily Echo*, a newspaper published and generally circulated in the City of Glen Dale, Marshall County. (Glen Dale Exhibit No. 1).

Commission Staff estimated that the project would cost $514,000, to be funded with a $414,000 Water Development Authority (WDA) loan, bearing interest at the rate of 6.25% for 40 years, with Glen Dale contributing the remaining portion of the funding. Glen Dale currently operates its water system with a series of deficiencies which the project will correct. The West Virginia Bureau of Health has directed Glen Dale to correct these problems, including abating the unacceptable concentration of trichloroethylene, a volatile organic chemical, found in Glen Dale's water supply. Glen Dale plans to refurbish an existing water well, construct a new well, construct a new storage facility, improve its treatment facility and make several other needed improvements to its water system. The West Virginia Office of Environmental Health has approved the plans and specifications for the project, which do not conflict with Commission rules and regulations, by issuing Permit Nos. 13,363 and 13,364. Commission Staff opined that the project is needed, and it recommended that the Commission approve the application. (Staff Exhibit No. 1).

Prior to the second hearing, Glen Dale received bids for the project. The actual cost per the accepted bid now is $610,400. The WDA has submitted a commitment letter agreeing to loan Glen Dale $500,000, bearing interest at the rate of 6.25% for 40 years, and Glen Dale will contribute the remaining $110,400. The financing for this project will not require Glen Dale to increase its rates. Commission Staff recommended that the Commission grant the application and approve the proposed financing. Commission Staff also recommended that, should the scope or the financing for the project change for any reason, Glen Dale must obtain separate Commission approval prior to commencing construction. (Staff Exhibit Nos. 1, 2 and 3).

DISCUSSION

The ALJ has considered all of the above, and, since Commission Staff opined that the project is needed and recommended that the Commission approve the application, the ALJ will hold that public convenience and necessity require the project and he will grant the application. Since Commission Staff has recommended that the Commission approve the proposed financing, the ALJ will approve the proposed financing comprised of the $500,000 WDA loan. Also, the ALJ will require Glen Dale to obtain separate Commission approval prior to construction should the scope or the financing for the project change for any reason.

FINDINGS OF FACT

1. Glen Dale Municipal Water Works filed an application with the Commission, pursuant to *Code* §24-2-11, for a certificate of public convenience and necessity to improve its water system, and for approval of financing incidental to providing such service. (See, Application, filed December 29, 1997).

2. Glen Dale published the Notice of Filing on January 12, 1998, in the *Daily Echo*, a newspaper duly published and generally circulated in Glen Dale, Marshall County, thereby providing a 30-day protest period. (See, Publication Affidavit).

3. No more than two persons filed a written protest to this matter. (See, Commission's file).

4. Glen Dale published a Notice of Hearing of the July 6, 1998 hearing on June 16 and 23, 1998, in *The Moundsville Daily Echo*, a newspaper published and generally circulated in the City of Glen Dale, Marshall County. (See, Glen Dale Exhibit No. 1).

5. No one appeared at either the May 27 or the July 6, 1998 hearing to oppose the project. (See, Transcripts, generally).

6. Glen Dale currently operates its water system with a series of deficiencies which the project will correct. (See, Staff Exhibit No. 1).

7. The West Virginia Bureau of Health has directed Glen Dale to correct these problems, including abating the unacceptable concentration of trichloroethylene, a volatile organic chemical, found in Glen Dale's water supply. (See, Staff Exhibit No. 1).

8. Glen Dale plans to refurbish an existing water well, construct a new well, construct a new storage facility, improve its treatment facility and make several other needed improvements to its water system. (See, Staff Exhibit No. 1).

9. The West Virginia Office of Environmental Health has approved the plans and specifications for the project, which do not conflict with Commission rules and regulations, by issuing Permit Nos. 13,363 and 13,364. (See, Staff Exhibit No. 1).

10. Commission Staff opined that the project is needed, and it recommended that the Commission approve the application. (See, Staff Exhibit No. 1).

11. Glen Dale received bids for the project and the actual cost per the accepted bid will be $610,400. (See, Staff Exhibit Nos. 1, 2 and 3).

12. The WDA has agreed to loan Glen Dale $500,000, bearing interest at the rate of 6.25% for 40 years, and Glen Dale will contribute the remaining $110,400. (See, Staff Exhibit Nos. 1, 2 and 3).

13. Financing this project will not require Glen Dale to increase its rates. (See, Staff Exhibit Nos. 1, 2 and 3).

14. Commission Staff has recommended that the Commission approve the proposed financing. (See, Staff Exhibit Nos. 1, 2 and 3).

15. Commission Staff has recommended that Glen Dale obtain separate Commission approval prior to construction should the scope or the financing for the project change for any reason. (See, Staff Exhibit Nos. 1, 2 and 3).

CONCLUSIONS OF LAW

1. For all of the reasons set forth in Finding of Fact Nos. 6 through 10, it is reasonable to find that public convenience and necessity require the project, and it is reasonable to grant the application.

2. For all of the reasons set forth in Finding of Fact Nos. 11 through 14, it is reasonable to approve the proposed financing comprised of the $500,000 WDA loan and the $110,400 cash contribution from Glen Dale.

3. For all of the reasons set forth in Finding of Fact No. 15, it is reasonable to require that Glen Dale obtain separate Commission approval prior to construction should the scope or the financing for the project change for any reason.

ORDER

IT IS, THEREFORE, ORDERED that the application filed with the Commission on December 29, 1997, by Glen Dale Municipal Water Works, pursuant to *Code* §24-2-11, for a certificate of public convenience and necessity to improve its water system, be, and it hereby is, granted.

IT IS FURTHER ORDERED that the proposed financing, comprised of a $500,000 WDA loan, bearing interest at the rate of 6.25% for 40 years, and a $110,400 cash contribution from Glen Dale, be, and it hereby is, approved.

IT IS FURTHER ORDERED that, should the scope or the financing for the project change for any reason, Glen Dale shall obtain separate Commission approval prior to commencing construction.

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

Leave hereby is 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 Recommended Decision 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 Recommended Decision 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 recommended decision by filing an appropriate petition in writing with the Executive 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 recommended decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Ronnie Z. McCann
Deputy Chief Administrative Law Judge

RZM:s/pst

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Issued: July 22, 1998

CASE NO. 97-1700-W-CN

GLEN DALE MUNICIPAL WATER WORKS,
a municipal corporation, Glen Dale,
Marshall County.
Application for a certificate of convenience and necessity to construct and operate water system improvements to serve residents and other customers of the City of Glen Dale to furnish water service.

CORRECTIVE ORDER

On December 29, 1997, the Glen Dale Municipal Water Works, a municipal corporation, Glen Dale, Marshall County, filed an application with the Public Service Commission, pursuant to *West Virginia Code* §24-2-11, for a certificate of public convenience and necessity to improve its water system, and for approval of financing incidental to providing such service.

On July 10, 1998, the Administrative Law Judge (ALJ) entered a Recommended Decision granting the certificate application. The ALJ inadvertently styled the July 10, 1998 Recommended Decision as "Case No. 97-1700-S-CN" rather than "97-1700-W-CN", i.e., designating a sewer case, rather than a water case.

ORDER

IT IS, THEREFORE, ORDERED that the Recommended Decision the ALJ entered in this matter on July 10, 1998, be, and it hereby is, corrected and restyled as Case No. 97-1700-W-CN.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order upon all parties of record by United States Certified Mail, return receipt requested, and upon Commission Staff by hand delivery.

Ronnie Z. McCann
Deputy Chief Administrative Law Judge

RZM:s

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 23rd day of July, 1998.

CASE NO. 97-1700-W-CN

GLEN DALE MUNICIPAL WATER WORKS,
a municipal corporation, Glen Dale, Marshall County.
Application for a certificate of convenience and necessity to construct and operate water system improvements to serve residents and other customers of the City of Glen Dale to furnish water service.

COMMISSION ORDER
WAIVING EXCEPTION PERIOD

On July 20, 1998, Administrative Law Judge Ronnie Z. McCann entered a Recommended Decision which granted a certificate of convenience and necessity to Glen Dale Municipal Water Works (the Applicant) in the above-styled proceeding.

On July 20, 1998, Frederick E. Gardner, counsel for the Applicant, filed a letter requesting a waiver of the fifteen day period of time in which a party may file exceptions to the Recommended Decision.

West Virginia Code §24-1-9 provides a time period of at least twenty (20) days from the date of a recommended order until it becomes effective. According to West Virginia Code §24-1-9(c), at least fifteen (15) days must be afforded the parties within which to file exceptions. In addition, §24-1-9(e) provides that when no exceptions are filed within the specified time period, the Commission shall have an additional five (5) days within which to stay or postpone the order.

The Commission is of the opinion and belief that said requests of waiver received by the Commission on July 20, 1998, should be granted.

IT IS, THEREFORE, ORDERED that the requested waiver be, and the same hereby is, granted.

IT IS FURTHER ORDERED that the Administrative Law Judge's Recommended Decision in this matter becomes final (5) days after the date of this order.

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

A True Copy, Teste:

Sandra Squire

Sandra Squire
Executive Secretary

SS/s

STATE OF WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY
1201 DUNBAR AVENUE
DUNBAR, WV 25064
Telephone (304) 558-3812
Telecopier (304) 558-0299

March 7, 1996

Mr. Joe Blair, Superintendent
Glen Dale Water Works
201 Seventh Street
Glen Dale WV 26038

PRELIMINARY APPLICATION -
CITY OF GLEN DALE [WATER PROJECT]

The West Virginia Infrastructure and Jobs Development Council (the "Council") has reviewed the Preliminary Application for the above-referenced project and has determined that the project is technically and financially feasible within the guidelines of the Act. (See attached Water Assessment Committee comments.)

The Council recommends that the City of Glen Dale provide $100,000 in local funds and pursue a Water Development Authority loan of $414,000 to finance this $514,000 project. This letter does not constitute funding approval by the Water Development Authority.

If you have any questions, please contact Daniel Yonkosky, Director of the Water Development Authority, who serves as chairman of the Council's Funding Committee.

for RUSSELL L. ISAACS, CHAIRMAN
WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

cmeine

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of the City of Glen Dale (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 26th day of August, 1998, the Authority received the City of Glen Dale Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), issued in the principal amount of $500,000, as a single, fully registered Bond, numbered AR-1, and dated August 26, 1998 (the "Bonds").

2. At the time of such receipt of the Bonds upon original issuance, the Bonds had been executed by the Mayor and Recorder of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of the proceeds of the Bonds in the aggregate amount of $500,000 (100% of par value), there being no interest accrued.

WITNESS our respective signatures on this 26th day of August, 1998.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Barbara B Meadows
Authorized Representative

CITY OF GLEN DALE

David W Blair
Mayor

08/07/98
333190/98001

CL450016.2

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

One Valley Bank, National Association,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the City of Glen Dale Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), in the principal amount of $500,000, dated August 26, 1998 (the "Bonds"), executed by the Mayor and Recorder of the City of Glen Dale (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to 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");

(2) A copy of the Bond Legislation authorizing the above-described Bond issue, duly certified by the Recorder of the Issuer;

(3) Executed counterparts of the loan agreement, dated August 26, 1998, by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (the "Loan Agreement"); and

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

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the account of the Issuer of the sum of $500,000, representing the agreed aggregate purchase price of the Bonds, there being no accrued interest thereon. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated this 26th day of August, 1998.

CITY OF GLEN DALE

David W Blyn

Mayor

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 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 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	-	-	9,992.59	9,992.59
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:

_____

STEPTOE & JOHNSON
ATTORNEYS AT LAW
BANK ONE CENTER
SIXTH FLOOR
P. O. BOX 2190
CLARKSBURG, W. VA. 26302-2190
(304) 624-8000
FACSIMILE (304) 624-8183

BANK ONE CENTER, SEVENTH FLOOR
P. O. BOX 1588
CHARLESTON, W. VA. 25326-1588
(304) 353-8000
FACSIMILE (304) 353-8180

1000 HAMPTON CENTER
P. O. BOX 1616
MORGANTOWN, W. VA. 26507-1616
(304) 598-8000
FACSIMILE (304) 598-8116

126 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-6991
FACSIMILE (304) 262-3541

RILEY BUILDING, FOURTH FLOOR
14TH AND CHAPLINE STREETS
P. O. BOX 150
WHEELING, W. VA. 26003-0020
(304) 233-0000
FACSIMILE (304) 233-0014

THE RIVERS OFFICE PARK
200 STAR AVENUE, SUITE 220
P. O. BOX 628
PARKERSBURG, W. VA. 26102-0628
(304) 422-6463
FACSIMILE (304) 422-6462

ALAN B. MOLLOHAN INNOVATION CENTER
1000 TECHNOLOGY DRIVE
P. O. BOX 2210
FAIRMONT, W. VA. 26554-8324
(304) 368-8000
FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

August 26, 1998

City of Glen Dale
Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

City of Glen Dale
Glen Dale, 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 (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $500,000 Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated August 26, 1998, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one bond, registered as to principal and interest to the Authority, with interest payable April 1 and October 1 of each year, commencing October 1, 1998, at the rate of 6.25% per annum, and with principal installments payable on October 1 of each year, commencing October 1, 1998, and ending October 1, 2035, all as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), for the purposes of (i) paying 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) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on June 22, 1998, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 13, 1998 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement.

In connection with the issuance of the Bonds, the Issuer has executed a Certificate as to Arbitrage, dated as of the date hereof (the "Certificate as to Arbitrage"), which, among other things, sets forth restrictions on the investment and expenditure of the Bond proceeds and earnings thereon, to ensure that the arbitrage requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code"), necessary to establish and maintain the excludability of interest on the Bonds from gross income for federal income tax purposes, are and will continue to be met.

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

1. The Issuer is a duly organized and validly existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to construct and acquire the Project, to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Gross Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Gross Revenues of the System, all in accordance with the terms of the Bonds and the Bond Legislation.

5. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to the Code and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the

Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Bond Legislation and the Certificate as to Arbitrage, and other certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. Except as set forth in paragraph 6 below, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. Based upon the certifications of the Issuer set forth in the Certificate as to Arbitrage and under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the proceeds of the Bonds are not subject to the arbitrage rebate requirements set forth in Section 148(f) of the Code. The opinion set forth above is subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code relating to the applicable exceptions to rebate. The Issuer has covenanted to comply with all such requirements. Failure to comply with such requirements could cause proceeds of the Bonds to be subject to such arbitrage rebate requirements retroactive to the date of issuance of the Bonds.

7. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality or county commission, political subdivision or agency thereof, and the interest on the 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 holders of the Bonds and the enforceability of the Bonds, the Loan Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

STEPTOE & JOHNSON

08/07/98
333190/98001

LAW OFFICES
GARDNER & JACKSON
509 SEVENTH STREET
P. O. BOX 399
MOUNDSVILLE, WEST VIRGINIA 26041
(304) 845-5100
FAX (304) 845-5102

FREDERICK E. GARDNER
DAVID L. JACKSON

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

August 26, 1998

City of Glen Dale
Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

City of Glen Dale
Glen Dale, WV

West Virginia Water Development Authority
Charleston, WV

Steptoe & Johnson
Clarksburg, WV

Ladies and Gentlemen:

I am counsel to the City of Glen Dale, a municipal corporation in Marshall County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, a loan agreement dated August 26, 1998, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the West Virginia Water Development Authority (the "Authority") and the Issuer, a Bond Ordinance duly enacted by the Issuer on June 22, 1998, as supplemented by a Supplemental Resolution duly adopted by the Issuer on July 13, 1998 (collectively, the "Bond Legislation") and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

I am of the opinion that:

1. That Issuer has been duly created and is validly existing, and the Mayor, Recorder and members of the council of the Issuer have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities.

2. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, executions and delivery by the Authority, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

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 Loan Agreement and the consummation of the transactions contemplated by the Loan Agreement and the Bond Legislation, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any ordinance, resolution, order, agreement or other instrument to which the Issuer is a part or any existing law, regulation, court order or consent decree to which the Issuer is subject.

5. The Issuer has received all permits, licenses, approvals and authorizations necessary for the issuance of the bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the system, including, without limitation, the receipt of all requisite orders and approvals from the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges. The Issuer has received the Final Orders of the Public Service Commission of West Virginia entered July 10, 1998, July 22, 1998, and July 23, 1998, in Case No. 97-1700-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 such Final Orders has not expired prior to the date hereof. However, the parties to such Final Orders have stated that they will not appeal such Final Orders. Such Final Orders are not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

6. 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 transactions contemplated by the Bond Legislation, the Loan Agreement, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the pledge of the Gross Revenues therefor.

LAW OFFICES
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FREDERICK E. GARDNER
DAVID L. JACKSON

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

August 26, 1998

City of Glen Dale
Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

City of Glen Dale
Glen Dale, WV

West Virginia Water Development Authority
Charleston, WV

Steptoe & Johnson
Clarksburg, WV

Ladies and Gentlemen:

I am counsel to the City of Glen Dale, a municipal corporation in Marshall County, West Virginia (the "Issuer"). As such counsel, I have investigated and ascertained the location of, and am familiar with the legal descriptions of all sites, easements and rights of way in connection with the acquisition and construction of certain additions, betterments and improvements to the existing public waterworks facilities of the Issuer (the "Project").

I have examined the deed records of Marshall County, West Virginia, in which the Project is to be located, and in my opinion, the Issuer has legal and valid fee simple title or such other estate or interest in the necessary sites for the Project, including deeds, easements and/or rights of way, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance of the Project. All deeds, easements and/or rights of way for the Project are duly recorded in the Office of the Clerk of the County Commission of Marshall County, West Virginia.

Very truly yours,

GARDNER & JACKSON

Frederick E. Gardner

FEG/saf

11

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

Very truly yours,

GARDNER & JACKSON

Frederick E. Gardner

FEG/saf

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. OTHER FUNDING
11. LOAN AGREEMENT
12. RATES
13. SIGNATURES AND DELIVERY
14. BOND PROCEEDS
15. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
16. PRIVATE USE OF FACILITIES
17. NO FEDERAL GUARANTY
18. IRS INFORMATION RETURN
19. SPECIMEN BONDS
20. CONFLICT OF INTEREST
21. PUBLIC SERVICE COMMISSION ORDER

We, the undersigned MAYOR and RECORDER of the City of Glen Dale in Marshall County, West Virginia (the "Issuer"), and the undersigned Counsel to the Issuer, hereby certify in connection with the $500,000 City of Glen Dale Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority) (the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted June 22, 1998, and a Supplemental Resolution duly adopted July 13, 1998 (collectively, the "Bond Legislation").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition and construction of the Project, the operation of the

System, the receipt of the Grant Receipts, if any, or the Gross Revenues, or in any way contesting or affecting the validity of the Bonds or the Grants, if any, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Gross Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the 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 receipt of the Grant Receipts, if any, and the collection or the pledge of Gross Revenues as security for the Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System and the issuance of the Bonds have been obtained and remain in full force and effect, and 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.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval and execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement entered into between the Issuer and the Authority.

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.

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

Bond Ordinance

Supplemental Resolution

Loan Agreement

Public Service Commission Orders

Infrastructure Council Approval

Charter

Oaths of Office of Officers and Councilmembers.

Rate Ordinance.

Minutes on Adoption of Rate Ordinance.

Affidavit of Publication of Rate Ordinance and Notice of Public Hearing.

Minutes on Adoption of Bond Ordinance and Supplemental Resolution.

Affidavit of Publication of Abstract of Bond Ordinance and Notice of Public Hearing.

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "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:

Name		Date of Commencement of Office	Date of Termination of Office
David W. Blazer	- Mayor	July 1, 1998	June 30, 2000
Clifton C. Wilson	- Recorder	July 1, 1998	June 30, 2000
Lawrence English	- Councilmember	July 1, 1996	June 30, 2000
Norman Stenger	- Councilmember	July 1, 1996	June 30, 2000
Joseph Jack	- Councilmember	July 1, 1998	June 30, 2002
Joseph Blair	- Councilmember	July 1, 1996	June 30, 2002
Denise Pavlik	- Councilmember	July 1, 1998	June 30, 2002

The duly appointed and acting Council to the Issuer is Gardner & Jackson of Moundsville, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions which would adversely affect or interfere in any way with the use thereof for such

purposes. The costs thereof, including costs of any properties which may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Bonds.

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

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

10. OTHER FUNDING: As of the date hereof, funds of the Issuer in the amount of $110,400 are committed and in full force and effect.

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

12. RATES: The Issuer has duly enacted a rate ordinance on April 27, 1998, setting rates and charges for the services of the System and such rate ordinance is currently in effect.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, all dated the date hereof by his or her manual signature, and the undersigned Recorder did officially cause the official seal of the Issuer to be affixed upon each of said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan

Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof, the Issuer received from the Authority the agreed purchase price of the Bonds, being $500,000 (100% of par value), there being no interest accrued thereon.

15. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the Moundsville Daily Echo, a newspaper of general circulation in the City of Glen Dale, there being no newspaper published therein, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on the 22nd day of June, 1998, at 7:30 p.m., in the Council Chambers of the Glen Dale City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

16. PRIVATE USE OF FACILITIES: The Issuer shall at all times take, and refrain from taking, and shall not fail to take, any and all actions necessary in order to assure the initial and continued tax-exempt status of the Bonds and the interest thereon. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly, for any private business use, and less than 10% of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal on, or the interest on, such issue, under the terms of any underlying arrangement, is, directly or indirectly, secured by any interest in property used, or to be used for a private business use, payments in respect of such property or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used,

directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit or other than use as a member of the general public. All of the foregoing shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended, including any successor provisions and rules and regulations thereunder (the "Code").

17. NO FEDERAL GUARANTY: The Bonds are not and will not be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

18. IRS INFORMATION RETURN: On the date hereof, the undersigned Mayor did officially sign a properly completed IRS Form 8038-G and will cause such executed Form 8038-G to be filed in a timely manner with the Internal Revenue Service Center, Philadelphia, Pennsylvania.

19. SPECIMEN BONDS: Delivered concurrently herewith is a true and accurate specimen of the Bond.

20. 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 Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

21. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Final Orders of the Public Service Commission of West Virginia entered on July 10, 1998, July 22, 1998, and July 23, 1998, in Case No. 97-1700-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 such Final Orders has not expired prior to the date hereof. However, the parties to such Final Orders have stated that they will not appeal such Final Orders. The Issuer hereby certifies that it will not appeal such Final Orders. Such Final Orders are not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

WITNESS our signatures and the official seal of the CITY OF GLEN DALE on this 26th of August, 1998.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
David W Blair	Mayor
Clifton C Wilson	Recorder
[illegible]	Counsel to Issuer

08/07/98
333190/98001

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

CERTIFICATE AS TO ARBITRAGE

The undersigned Mayor of the City of Glen Dale, in Marshall County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $500,000 Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), of the Issuer, dated August 26, 1998 (the "Bonds" or "Series 1998 A Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986 and applicable regulations (the "Code"). I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances, and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Ordinance enacted by the Issuer on June 22, 1998 (the "Bond Ordinance").

2. This certificate may be relied upon as the certificate of the Issuer.

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on August 26, 1998, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. The Bonds were sold on August 26, 1998, to the West Virginia Water Development Authority (the "Authority") for a purchase price of $500,000 (100% of par). No accrued interest has been or will be paid on the Bonds.

6. In the Bond Ordinance, the Issuer has covenanted to not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Issuer has, therefore, covenanted to not intentionally use any

portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Section 148 of the Code. The Issuer, in the Bond Ordinance, has further covenanted that it will take all actions that may be required of it so that the interest on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

7. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

8. The Issuer has entered or shall promptly enter into agreements which require the Issuer to expend in excess of $100,000 on the Project constituting a substantial binding commitment. Acquisition, construction and equipping of the Project shall proceed with due diligence to completion, and, with the exception of proceeds constituting capitalized interest (if any), proceeds deposited in the reserve account for the Bonds (if any), all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before March, 1999. Construction of the Project is expected to be completed by March, 1999.

9. The total cost of the Project (including all costs of issuance of the Bonds) is estimated at $610,400. Sources and uses of funds for the Project are as follows:

SOURCES	
Gross Proceeds of Bonds	$500,000
Issuer's Funds	110,400
Total Sources	$610,400
USES	
Acquisition and Construction of Project	$602,400
Capitalized Interest	-0-
Fund Reserve Account	-0-
Costs of Issuance	8,000
Total Uses	$610,400

The amount of the costs of the Project not expected to be reimbursed or paid from the Issuer's funds stated above is estimated to be at least equal to the gross proceeds of the

Bonds. Except for the proceeds of the Bonds and the Issuer's funds stated above, no other funds of the Issuer will be available to meet costs of the Project, which would constitute "replacement proceeds" within the meaning of Treas. Reg. § 1.148-1(c), inasmuch as (i) the Issuer does not reasonably expect that the term of the Bonds is longer than is reasonably necessary for the governmental purposes of the Issuer, (ii) the weighted average maturity of the Bonds does not exceed 120% of the average expected economic life of the Project, and (iii) there are no amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the proceeds of the Bonds were not used or to be used for that governmental purpose.

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

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 1998 A Bonds Construction Trust Fund;

(4) Series 1998 A Bonds Sinking Fund; and

(5) Within the Series 1998 A Bonds Sinking Fund, the Series 1998 A Bonds Reserve Account.

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

(1) Bond proceeds in the amount of $-0- will be deposited in the Series 1998 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Bonds during acquisition and construction of the Project and for not more than six months thereafter.

(2) Bond proceeds in the amount of $-0- will be deposited in the Series 1998 A Bonds Reserve Account.

(3) The balance of the proceeds of the Bonds will be deposited in the Series 1998 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project, including costs of issuance of the Bonds and related costs.

Amounts in the Series 1998 A Bonds Construction Trust Fund, if invested, will be invested without yield limitation for a period necessary to complete the Project, not to

exceed 3 years, except as otherwise set forth herein. All of such moneys are necessary for such purpose.

Except for "preliminary expenditures" as defined in Treas. Reg. §1.150-2(f)(2), none of the proceeds of the Bonds will be used to reimburse the Issuer for costs of the Project previously incurred and paid by the Issuer with its own or other funds.

12. Moneys held in the Series 1998 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 1998 A Bonds Sinking Fund and Series 1998 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 1998 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

13. Except for the Series 1998 A Bonds Sinking Fund and the Series 1998 A Bonds Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Series 1998 A Bonds or which are pledged as collateral for the Series 1998 A Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Series 1998 A Bonds, if the Issuer encounters financial difficulties. The Issuer does not expect that moneys in the Renewal and Replacement Fund will be used or needed for payments upon the Series 1998 A Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved housing desegregation plan producing a yield in excess of the yield on the Bonds have been or will be pledged to payment of the Bonds. Less than 10% of the moneys received from the sale of the Series 1998 A Bonds, if any, will be deposited in the Series 1998 A Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1998 A Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal of and interest on the Series 1998 A Bonds and will not exceed 125% of average annual principal of and interest on the Series 1998 A Bonds. Amounts in the Series 1998 A Bonds Reserve Account, not to exceed 10% of the proceeds of the Series 1998 A Bonds, if invested, will be invested without yield limitation. The establishment of the Series 1998 A Bonds Reserve Account are required by the Authority, is vital to its purchase of the Series 1998 A Bonds, and is reasonably required to assure payments of debt service on the Series 1998 A Bonds.

Because amounts in the Renewal and Replacement Fund may be expended for other purposes, there is no reasonable assurance that any such amounts would be available to meet debt service if the Issuer encounters financial difficulties; thus, such amounts may be invested without yield limitation.

14. The Issuer has entered or will promptly enter into a contract for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2 1/2% of the estimated total Project cost financed with proceeds from the sale of the Bonds or $100,000.

15. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. Construction is expected to be completed within 7 months from the date of issuance thereof.

16. Except for a reasonable temporary period until such proceeds are needed for the purpose for which such issue was issued or as otherwise allowed, no portion of the proceeds of the Bonds will be used, directly or indirectly, to acquire higher yielding investments, or to replace funds which were used, directly or indirectly, to acquire higher yielding investments, all within the meaning of Section 148 of the Code.

17. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Bonds to the Authority.

18. With the exception of the amount deposited in the Series 1998 A Bonds Sinking Fund for payment of interest on the Bonds, if any, and the amounts deposited in the Series 1998 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 7 months from the date of issuance thereof.

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

20. The Series 1998 A Bonds Sinking Fund (other than the Series 1998 A Bonds Reserve Account therein) are intended primarily to achieve a proper matching of payments of debt service on the Series 1998 A Bonds each year. The Series 1998 A Bonds Sinking Fund (other than the Series 1998 A Bonds Reserve Account therein) will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1/12th of annual debt service on the Series 1998 A Bonds, or 1 year's interest earnings on the Series 1998 A Bonds Sinking Fund (other than the Series 1998 A Bonds Reserve Account therein). Except as otherwise allowed, any money deposited in the Series 1998 A Bonds Sinking Fund for payment of the principal of or interest on the Series 1998 A Bonds (other than the Series 1998 A Bonds Reserve Account therein), will be spent within a 13-month period beginning on the date of receipt and will be invested without yield limitation, and any moneys received from the investment of amounts held in the Series 1998 A Bonds Sinking Fund (other than in the Series 1998 A Bonds Reserve Account therein) will be spent within a 1-year period beginning on the date of receipt.

21. All earnings on proceeds of the Bonds not expended by January 9, 1999, will, to the extent the yield theron exceeds the yield on the Bonds, be subject to rebate. All

proceeds of the Bonds not expended by January 9, 1999, will not be invested at a yield to exceed 5.709004444%.

22. The amount designated as cost of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.

23. All property financed with the proceeds of the Bonds will be held for federal income tax purposes by (or on behalf of) a qualified governmental unit.

24. The Issuer shall file Form 8038-G or 8038-GC in a timely fashion with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255.

25. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of the Bonds have been or will be used to make or finance loans to, any person who is not a governmental unit.

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

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

28. 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 treatment afforded by Section 103(a) of the Code by reason of classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions and refrain from taking such actions as shall be necessary to comply with the Code in order to ensure the interest on the Bonds is excludable from gross income for federal income tax purposes.

29. The Bonds are not and will not be, in whole or in part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

30. The Issuer is a governmental unit and has general taxing powers; no 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 (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 1998, the calendar year in which the Bonds are issued, is not reasonably expected to exceed $5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code. For purposes of this paragraph and for purposes of applying such 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 paragraph 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 paragraph 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. No portion of the Bonds is issued to refund other obligations.

The Issuer believes that the Authority exclusively lends bond proceeds in a manner that does not result in its bonds being private activity bonds, as defined in the Code, and the Issuer believes that the use of the proceeds by each borrower from the Authority would not result in those proceeds being private activity bonds (if viewed as a separate issue).

31. The Issuer has retained the right to amend or supplement its authorizing documents if such amendment or supplement is necessary to preserve the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

32. The Issuer shall comply with the yield restriction on Bond proceeds as set forth in the Code.

33. The Issuer has either (a) funded the Series 1998 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 1998 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 1998 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 1998 A Bonds Reserve Account and the Series 1998 A Bonds Sinking Fund (established for the annual payment of principal and interest) will be used solely to pay principal of and interest on the Bonds and will not be available to pay costs of the Project.

34. 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 issuer 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 Bonds subject to rebate.

35. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Bonds, (b) are to be sold pursuant to a common plan of financing together with any of the Bonds and (c) will be paid out of substantially the same

source of funds or will have substantially the same claim to be paid out of substantially the same source of funds as any of the Bonds.

36. The transactions contemplated herein do not represent an exploitation of the difference between taxable and tax-exempt interest rates and the execution and delivery of the Bonds is not occurring sooner than otherwise necessary, nor are the Bonds in principal amounts greater than otherwise necessary or to be outstanding longer than otherwise necessary.

37. The Issuer will rebate to the United States the amount required by the Code and to take all steps necessary to make such rebates. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and obtain a waiver from the Internal Revenue Service in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

38. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and any interest thereon.

39. On the basis of the foregoing, it is not expected that the proceeds of any of the Bonds will be used in a manner that would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

40. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

41. Steptoe & Johnson is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the tax-exempt status of interest on the Bonds.

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

WITNESS my signature on this 26th of August, 1998.

Mayor

08/07/98
333190/98001

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

ENGINEER'S CERTIFICATE

I, Manning H. Frymier, Registered Professional Engineer, West Virginia License No. 8497, of Cerrone & Associates, Inc., Wheeling, West Virginia, Consulting Engineer, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system (the "Project") of the City of Glen Dale (the "Issuer"), to be constructed primarily in Marshall County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer and certain funds of the Issuer. Capitalized words not defined herein shall have the meaning set forth in the Bond Ordinance enacted by the Issuer on June 22, 1998, and the Loan Agreement dated August 26, 1998, by and between the Issuer and the West Virginia Water Development Authority (the "Authority").

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

3. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm and as described in the application submitted to the Authority requesting the Authority to purchase the Bonds (the "Application") and approved by all necessary governmental bodies, (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least 40 years, (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application and my firm has ascertained that all contractors have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified by my firm for accuracy, (iv) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project, (v) the rates and charges for the System as adopted by the Issuer are sufficient to comply with the provisions of Subsection 4.1(b) of the Loan Agreement, (vi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and

the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project as set forth in the Application, and (vii) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature and seal on this 26th day of August, 1998.

CERRONE & ASSOCIATES, INC.

(SEAL)

Manning H. Frymier, P.E.
West Virginia License No. 8497

08/07/98
333190/98001

CITY OF GLEN DALE WATER SYSTEM IMPROVEMENTS
Name of Local Governmental Agency

ESTIMATED TOTAL COST OF PROJECT AND SOURCES OF FUNDS

A. Cost of Project

1.	Construction	$ 497,400	
2.	Technical Services	$ 78,000	
3.	Legal and Fiscal	$ 5,000	
4.	Administrative	$ 2,000	
5.	Site and Other Lands	$	
6.	Step I and/or Step II or Other Loan Repayment (Specify Type: _____)	$	
7.	Interim Financing Costs	$	
8.	Contingency	$ 20,000	
9.	Total of Lines 1 through 8		$ 602,400

B. Sources of Funds

10.	Federal Grants: (Specify Source)	$	
11.	State Grants: (Specify Source)	$	
12.	Other Grants: (Specify Source) Funds on Hand	$ 110,400	
13.	Any Other Source: (Specify)	$	
14.	Total of Lines 10 through 13:		$ 110,400
15.	Proceeds Required from Bond Issue (Line 9 Less Line 14):		$ 492,000
16.	Cost of Financing:		
	(a) Capitalized Interest (Construction Period Plus Six Months)	$	
	(b) Funded Reserve Account	$	
	(c) Other Costs: $ 8,000		
	$		
	$		
	Total Other Costs	$ 8,000	
	Total Cost of Financing		$ 8,000
17.	Size of Bond Issue (Line 15 Plus Total from Line 16):		$ 500,000

Name of individual who completed Information Form:
George E. Blum - Cerrone & Associates, Inc. Date: June 30, 1998
Telephone No.: (304) 232-5550 FAX No.: (304) 233-2512

/OFORK.WPD1/26/98b

DOBBS, ABRAHAM & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
400 MORTON AVENUE
P.O. BOX 248
MOUNDSVILLE, WV 26041
304-845-7914
FAX 304-843-1905

August 26, 1998

City of Glen Dale
Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rate and charges as set forth in the water rate ordinance of the City of Glen Dale (the "Issuer") finally enacted April 27, 1998, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Cerrone & Associates, Inc., consulting engineer, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system of the Issuer (the "System"), will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority) (the "Bonds"), to be issued to the West Virginia Water Development Authority on the date hereof.

Very truly yours,

Dobbs, Abraham & Co

DOBBS, ABRAHAM & COMPANY

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. I case 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 made 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.

SignatureofCandidate_____."

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 in 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 case 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 extend 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 he 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 extend that an entire section or part of section may be inseparable 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 of 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 he city shall render the contract voidable by the mayor or the council.

OATH

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

I, DAVID W. BLAZER, do solemnly swear that I will support the constitution of the United States, the constitution of the State and the Charter and Code of the City of Glen Dale and that I will faithfully discharge the duties of my office of MAYOR to the best of my skill and judgment, so help me God.

David W Blazer

Subscribed and sworn to before the undersigned, this the 30th day of JUNE, 1998.

Clifton C Wilson

Recorder for the City of Glen Dale, West Virginia

OATH

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

I, CLIFTON C. WILSON, do solemnly swear that I will support the constitution of the United States, the constitution of the State and the Charter and Code of the City of Glen Dale and that I will faithfully discharge the duties of my office of RECORDER to the best of my skill and judgment, so help me God.

Clifton C Wilson

Subscribed and sworn to before the undersigned, this the 30th day of JUNE, 1998.

Dave W Blyer

Mayor for the City of Glen Dale, West Virginia

CITY OF GLEN DALE

402 WHEELING AVENUE

GLEN DALE, WEST VIRGINIA 26038

DAVID W. KNUTH, MAYOR

TELEPHONE 845-5571

CITY OF GLEN DALE

OATH OF OFFICE

I SOLEMNLY SWEAR 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 Councilman.

Lawrence E Engbish
Signature

8-1-96
Date

Clifton C Wilson - Recorder

CITY OF GLEN DALE

402 WHEELING AVENUE

GLEN DALE, WEST VIRGINIA 26038

DAVID W. KNUTH, MAYOR

TELEPHONE 845-5571

STATE OF WEST VIRGINIA
GLEN DALE
MONTANI SEMPER LIBERI

CITY OF GLEN DALE

OATH OF OFFICE

I SOLEMNLY SWEAR 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 Council.

x Norman R Stenger
Signature

7-22-96.
Date

David W Blair

CITY OF GLEN DALE

402 WHEELING AVENUE
GLEN DALE, WEST VIRGINIA 26038
DAVID W. KNUTH, MAYOR

TELEPHONE 845-5571

CITY OF GLEN DALE

OATH OF OFFICE

I SOLEMNLY SWEAR 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 Councilman.

Joe K Blaw
Signature

July 8 1996
Date

David W Knuth
Mayor

OATH

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

I, JOSEPH A. JACK, do solemnly swear that I will support the constitution of the United States, the constitution of the State and the Charter and Code of the City of Glen Dale and that I will faithfully discharge the duties of my office of COUNCILMAN to the best of my skill and judgment, so help me God.

Joseph A. Jack

Subscribed and sworn to before the undersigned, this the 30th day of JUNE, 1998.

Clifton C. Wilson

Recorder for the City of Glen Dale, West Virginia

OATH

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

I, DENISE J. PAVLIK, do solemnly swear that I will support the constitution of the United States, the constitution of the State and the Charter and Code of the City of Glen Dale and that I will faithfully discharge the duties of my office of COUNCILWOMAN to the best of my skill and judgment, so help me God.

Denise J. Pavlik

Subscribed and sworn to before the undersigned, this the 30th day of JUNE, 1998.

Clifton C. Wilson

Recorder for the City of Glen Dale, West Virginia

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA, CHANGING AND RE-ESTABLISHING A NEW WATER SERVICE RATE STRUCTURE, AND THUS REPEALING THE PRESENTLY EXISTING WATER SERVICE RATES STRUCTURE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA:

1. METER

That the fee for the supplying of general domestic, commercial and industrial water service to Glen Dale customers shall be as follows:

METER

For the first	2,000 Gallons - 4.258 per M Gallons
For the next	3,000 Gallons - 3.407 per M Gallons
For the next	5,000 Gallons - 2.770 per M Gallons
For the next	15,000 Gallons - 2.341 per M Gallons
For the next	25,000 Gallons - 1.705 per M Gallons
All over	50,000 Gallons - 1.278 per M Gallons

2. MINIMUM METER RATES

The minimum bill for water service in the City of Glen Dale shall be as follows:

5/8 inch meter or less	$ 6.40 per month
3/4 inch meter	9.17 per month
1 inch meter	16.39 per month
1 1/4 inch meter	25.55 per month
1 1/2 inch meter	36.86 per month
2 inch meter	65.38 per month
3 inch meter	147.16 per month
4 inch meter	262.04 per month
6 inch meter	588.73 per month
8 inch meter	1,046.62 per month

3. HYDRANTS

Hydrants for public fire protection	$ 13.13 per month
Hydrants for private fire protection	32.76 per year
Sprinkler heads for private fire protection, each	.148 per year

4. DELAYED PAYMENT PENALTY

The foregoing rates are on a monthly basis and bills are payable on or before the 20th day of the month following that in which the billing is rendered. A five percent (5%) penalty will be charged on bills paid after the 20th of the month.

5. SERVICE CONNECTION CHARGE

A service connection charge of $500.00 will be charged for initial connection of each new customer.

6. This Ordinance shall be effective from and after June 11, 1998.

PASSED: April 13, 1998
First Reading

April 27, 1998
Second Reading

Clifton C. Wilson
Clifton C. Wilson, Recorder
City of Glen Dale, West Virginia.

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA, CHANGING AND RE-ESTABLISHING A NEW WATER SERVICE RATE STRUCTURE FOR ITS CUSTOMERS LOCATED ON GLEN DALE HEIGHTS (OLD SKYLINE WATER COMPANY CUSTOMERS), AND THUS REPEALING THE PRESENTLY EXISTING WATER SERVICE RATES STRUCTURE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA:

1. METER

That the fee for the supplying of general domestic and commercial water service to Glen Dale Heights customers shall be as follows:

METER

For the first	2,000 Gallons - $6.00 per M Gallons
For the next	1,000 Gallons - $3.13 per M Gallons
For the next	1,000 Gallons - $2.73 per M Gallons
All over	4,000 Gallons - $2.46 per M Gallons

2. MINIMUM METER RATES

The minimum bill for meter use to Glen Dale Heights customers shall be as follows:s

5/8 inch meter	$4.22 per month

3. HYDRANTS

Hydrants for public fire protection (Where Available)	$1.64 per month

4. DELAYED PAYMENT PENALTY

The foregoing rates are on a monthly basis and bills are payable on or before the 20th day of the month following that in which the billing is rendered. A ten percent (10%) penalty will be charged on all bills paid after the 20th day of the month following.

5. SERVICE CONNECTION CHARGE

A service connection charge of $500.00 will be charged for initial connection of each new customer.

6. This Ordinance shall be effective from and after June 11, 1998.

PASSED: April 13, 1998
First Reading

April 27, 1998
Second Reading

Clifton C. Wilson
Clifton C. Wilson, Recorder
City of Glen Dale, West Virginia.

Glen Dale Council met in regular session on Monday, April 13, 1998 at 7:30 p.m. Present were Mayor Blazer, Recorder Wilson, and Council members Jack, English, Blair, Stenger and McCausland. Street Commissioner Adams and City Clerk Bell were present also.

Kevin S. Wilmot from Cerrone & Associates was present at Council to guide the ordinances concerning the water rates for the Glen Dale Water Improvement project to approval by the PSC. The ordinances will have to be repeated because of a technicality. Kevin has stated that he will keep in touch with the PSC and keep a time schedule for the project and be sure that it is kept. The rate increase in the cost of water since the start of the project will be put in escrow and the cost of water will return to what it was before.

✓ Stenger made a motion to approve on first reading an ordinance of the City of Glen Dale, WV changing and re-establishing a new water rate structure and thus repealing the present existing water service rates. McCausland seconded the motion and Council approved. Jack voting yes, English -yes, Blair-yes, Stenger-yes, and McCausland-yes.

✓ Stenger made a motion to approve on first reading an ordinance of the City of Glen Dale, WV changing and re-establishing a new water service rate structure for its customers located on Glen Dale Heights(Old Skyline Water customers) and thus repealing the present existing water service rate structure. McCausland seconded the motion and Council approved. Jack voting yes, English - yes, Blair-yes, Stenger-yes, and Mccausland-yes. Final reading will be on April 27, 1998 and rates will go into effect on June 11, 1998.

Joe Blair made a motion to approve the request of the Knights of Columbus for a Tootsie Roll sale. Jack seconded the motion and Council approved.

There will be a meeting of the Board of Zoning Appeals on April 15th. Council will lay the levy on Tuesday, April 21, 1998 at 5:15 p.m.

Stenger made a motion to pay bills amounting to $11,003.54. Jack seconded the motion and Council approved.

English stated the the Sanitary Board should have some information from the PSC on the protest on the cost of Waste Water by the next meeting.

Dumpsters will be available at the City garage on the 19,20, & the 21st of May. There will be a Business after Hours in Glen Dale sponsored by the City and Blazers Towing. The City election will be held on June 9, 1998.

Joe Blair made a motion to adjourn and Joe Jack seconded the motion and Council approved.

David W Blazer

David W. Blazer, Mayor

Clifton C Wilson

Clifton C. Wilson, Recorder

Glen Dale Council met in regular session on Monday, April 27, 1998 at 7:30 p.m. Present were Mayor Blazer, Recorder Wilson, and Council members Jack, Blair, Stenger, and McCausland. Attorney Jackson, Accountant Dobbs, Street Commissioner Adams and City Clerk Bell were present also.

Bob Hanna, a representative of the Division of Forestry of West Virginia attended the Council meeting to present the City with a Tree City, U.S.A. flag as a continuing member of this program. They will furnish new trees to replace those that did not survive the last planting.

Gary Uzarzi, who bought the property next to the old Glen Dale Kitchen building on Fifth Street, attended Council to discuss the run down condition of the property. Council will check the property and try to have improvements made.

✓ Stenger made a motion to approve on second reading an ordinance of the Council of Glen Dale, WV changing and re-establishing a new water service rate structure and thus repealing the presently existing water service rate structure for the city. This was seconded by Jack and was approved Jack voting yes, Blair - yes, Stenger - yes, McCausland - yes.

✓ Stenger made a motion to approve on second reading an ordinance of the City of Glen Dale, WV changing and re-establishing a new water rate structure for its customers located on Glen Dale Heights (old Skyline Water Co. customers) and thus repealing the presently existing water service rate structure. Jack seconded the motion. Jack voting yes, Stenger - yes, Blair - yes, McCausland - yes.

There will be a zoning board meeting on April 30th at 7:00 p.m. for a public hearing on a variance for a pool for John Zwolensky.

McCausland made a motion to pay bills totaling $6,030.84. Jack seconded the motion and Council approved.

Joe Blair reported that gas was spilled on the basketball court, which will require a new surface. The cost will be approximately $3,800.00. The City and Blazer's Towing will sponsor a business after hours on Thursday, May 28th. Memorial Day service will be held May 25th at the City Park.

Glen Dale will get five young people for the Summer Youth Program. Glen Dale will furnish a supervisor for 3 ½ weeks.

Blair made a motion to adjourn and Jack seconded the motion and Council approved.

David W Blazer

David W. Blazer, Mayor

Clifton C Wilson

Clifton C. Wilson, Recorder

The MOUNDSVILLE DAILY ECHO

(304) 845-2660
PO BOX 369
MOUNDSVILLE
WV 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 Democratic 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, with Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusive any cover, per issue;
- that such newspaper is circulated to the general public at a definite pri or consideration;
- that such newspaper is a newspaper to which the general public reso for passing events of a political, religious, commercial and social natu and for current happenings, announcements, miscellaneous readi 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)

ordinance water rates

CERTIF-BILL TO

City of Glendale

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
one	April 16,1998

By WORDS	PUBLICATION CHARGES
564@.07	$39.48

(signed) Marian L Walton

NOTARIZATION

Taken, sworn to and subscribed before me this 20th day of April, 19 98.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LINDA M. MASSIE
Moundsville Daily Echo
P. O. Box 369
Moundsville, West Virginia 26041
My Commission Expires Jan. 9, 2006

Notary public

LEGAL ADVERTISEMENT

NOTICE OF PROPOSED RATE CHANGE

Notice is hereby given that the City of Glen Dale, a public utility, has passed on first reading an Ordinance, fully set forth below, increasing water rates within the city of Glen Dale by twenty (20%) percent. Said Ordinance will come on for its public hearing and its second and final reading at the next regular meeting of the Glendale City Council to be held at 7:30 p.m., on April 27, 1998, at the Council Chambers in the City Building located at 403 Wheeling Avenue, Glen Dale, West Virginia. Any person who desires to be heard on this matter should appear at said meeting and be heard. Said Ordinance reads in its entirety as follows:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA, CHANGING AND RE-ESTABLISHING A NEW WATER SERVICE RATE STRUCTURE AND THUS REPEALING THE PRESENTLY EXISTING WATER SERVICE RATES STRUCTURE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA:

1. METER

That the fee for the supplying of general domestic, commercial and industrial water service to Glen Dale customers shall be as follows:

METER:

For the first 2,000 Gallons-4.258 per M Gallons

For the next 3,000 Gallons-3.407 per M Gallons

For the next 5,000 Gallons-2.770 per M Gallons

For the next 15,000 Gallons-2.341 per M Gallons

For the next 25,000 Gallons-1.705 per M Gallons

All over 50,000 Gallons-1.278 per M Gallons

2. MINIMUM METER RATES

The minimum bill for water service in the City of Glen Dale shall be as follows:

5/8 inch meter or less $6.40 per month

3/4 inch meter $9.17 per month

1 inch meter $16.39 per month

1 1/4 inch meter $25.55 per month

1 1/2 inch meter $36.86 per month

2 inch meter $65.38 per month

3 inch meter $147.16 per month

4 inch meter $262.04 per month

6 inch meter $588.73 per month

8 inch meter $1,046.62 per month

3. HYDRANTS

Hydrants for public fire protection $13.13 per month

Hydrants for private fire protection $32.76 per year.

Sprinkler heads for private fire protection, each $.148 per year.

4. DELAYED PAYMENT PENALTY

The foregoing rates are on a monthly basis and bills are payable on or before the 20th day of the month following that in which the billing is rendered. A five percent (5%) penalty will be charged on bills paid after the 20th of the month.

5. SERVICE CONNECTION CHARGE

A service connection charge of $500.00 will be charged for initial connection of each new customer.

6. This Ordinance shall be effective from and after June 11, 1998.

Janet Bell
City Clerk
PUBLISH: April 16, 1998.

20 A

The MOUNDSVILLE DAILY ECHO

(304) 845-2660
PO BOX 369
MOUNDSVILLE
WV 26041

AFFIDAVIT OF PUBLICATION

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

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

- that I am Co-Publisher of the MOUNDSVILLE DAILY ECHO, a Democra newspaper;
- that I have been duly authorized to execute this affidavit;
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- that such newspaper is a newspaper of "general circulation" as defi in Art. 3, Chap. 59 of the Code of West Virginia 1931 as amended, wi Moundsville and Marshall County;
- that such newspaper averages in length four or more pages, exclusiv any cover, per issue;
- that such newspaper is circulated to the general public at a definite p or consideration;
- that such newspaper is a newspaper to which the general public res for passing events of a political, religious, commercial and social na and for current happenings, announcements, miscellaneous rea 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)

Skyline Water rates

CERTIF-BILL TO

City of Glendale

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
one	April 16,1998

By WORDS	PUBLICATION CHARGES
492@.07	$34.44

(signed) Marian L Walton

NOTARIZATION

aken, sworn to and subscribed before me this 20th day of April, 19 98.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LINDA M. MASSIE
Moundsville Daily Echo
P. O. Box 369
Moundsville, West Virginia 26041
My Commission Expires Jan. 9, 2006

Notary public Linda M. Massie

20B

LEGAL ADVERTISEMENT

LEGAL ADVERTISEMENT

NOTICE OF PROPOSED RATE CHANGE

Notice is hereby given that the City of Glen Dale, a public utility, has passed on first reading an Ordinance, fully set forth below, increasing water rates for service to its customers located on Glen Dale Heights (Old Skyline Water Company customers) by twenty percent (20%). Said Ordinance will come on for its public hearing and its second and final reading at the next regular meeting of the Glen Dale City Council to be held at 7:30 p.m., on April 27, 1998, at the Council Chambers in the City Building located at 403 Wheeling Avenue, Glen Dale, West Virginia. Any person who desires to be heard on this matter should appear at said meeting and be heard. Said Ordinance reads in its entirety as follows:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINA, CHANGING AND RE-ESTABLISHING A NEW WATER SERVICE RATE STRUCTURE FOR ITS CUSTOMERS LOCATED ON GLEN DALE HEIGHTS (OLD SKYLINE WATER COMPANY CUSTOMERS), AND THUS REPEALING THE PRESENTLY EXISTING WATER SERVICE RATES STRUCTURE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLEN DALE, WEST VIRGINIA:

1. METER

That the fee for the supplying of general, domestic and commercial water service to Glen Dale Heights customers shall be as follows:

METER

For the first 2,000 Gallons-$6.00 per M Gallons;

For the next 1,000 Gallons-$3.10 per M Gallons

For the next 1,000 Gallons-$2.73 per M Gallons

All over 4,000 Gallons-$2.46 per M Gallons

2. MINIMUM METER RATES

The minimum bill for meter use to Glen Dale Heights customers shall be as follows:

5/8 inch meter $4.22 per month

3. HYDRANTS

Hydrants for public fire protection

(Where Available) $1.64 per month

4. DELAYED PAYMENT PENALTY

The foregoing rates are on a monthly basis and bills are payable on or before the 20th day of the month following that in which the billing is rendered. A ten percent (10%) penalty will be charged on all bills paid after the 20th day of the month following.

5. SERVICE CONNECTION CHARGE

A service connection charge of $500.00 will be charged for initial connection of each new customer.

6. This Ordinance shall be effective from and after April 15, 1998.

Janet Bell
City Clerk

PUBLISH April 16, 1998

Glen Dale Council met in special session on Thursday, May 28, 1998 at the Glen Dale Fireman's Hall. Present were Council members Jack, McCausland, and Blair. Attorney Jackson was present also.

The special meeting is for a 1st reading 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 1998A (West Virginia 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.

Councilman Jack made a motion to pass the ordinance on 1st reading McCausland seconded the motion and Council approved. Jack voting yes, McCausland - yes, and Blair - yes.

Jack made a motion to adjourn and Blair seconded the motion and Council approved.

David W. Blazer, Mayor

Clifton C. Wilson, Recorder

21A

Glen Dale Council met in regular session on Monday, June 8, 1998 at 7:30 p.m. in the Glen Dale Firemen's Hall on 7th Street. Present were Mayor Blazer, Recorder Wilson, and Council members Jack, English, Blair, Stenger, and McCausland. Attorney Gardner, Accountant Dobbs, Street commissioner Adams and City Clerk Bell were present also.

McCausland made a motion to approve on second reading an ordinance of the City of Glen Dale authorizing the acquisition and construction of additions, betterments and improvements to the existing public water-works 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 issurance 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. The motion was seconded by Joe Jack and was approved: Jack voting yes, English - yes, Blair - yes Stenger - yes, and McCausland - yes.

The City election will be Tuesday June 9th and the Fireman's Festival will be held on June 12-13-14th.

Councilman Stenger discussed the phone system and bids for same and he will get additional information before any decisions are made.

McCausland made a motion to pay bills totaling $12,951.40. English seconded and Council approved. McCausland also made a motion to approve a budget revision in the City Budget amounting to $20,230.00. Jack seconded the motion and Council approved.

Joe Jack brought a request to Council from the residents of 407 Jefferson Avenue for permission to cut 14 ft. of curb to install a driveway. Stenger made a motion to give permission to cut the curb and Blair seconded the motion and Council approved.

Larry English reported on the final ruling on the cost of waste water set by the administrative law Judge of the PSC. Glen Dale's cost was set at 1.84 per thousand gallons at the Moundsville-Glen Dale Waste Water Plant.

Councilman Stenger reported that 21 building permits has been approved since the last meeting, with one permit rejected. Council approved the request of the Traffic Commission for a 4-way stop sign at the corner of 4th and Tomlinson. Chief Stenger asked for the approval of Council for their request for a grant from the Cops More program for 2 dispatchers for one year and also a school based partnership between the students and the police. Blair made a motion to approve the requests, Jack seconded the motion and Council approved.

Stenger made a motion to approve on first reading an ordinance of the City of Glen Dale, WV requiring operators and passengers of bicycles who are under the age of 15 years to wear helmets and affixing penalties for violations. Blair seconded the motion and Council approved.

Stenger made a motion to approve on first reading an ordinance of the City of Glen Dale, WV, adding to Article 1. Miscellaneous provisions of Section 1A, being Ordinance No. 15D-1-1A, providing that no trucks, tractor trailers, semi-trucks or equivalent vehicles be permitted to park on the city streets, in the City of Glen Dale, WV. McCausland seconded the motion and Coucil approved, all voting yes.

Stenger made a motion to approve on first reading an ordinance of the City of Glen Dale, WV changing Chapter 15C, Article 10, Section 20, concerning vehicle security in the City of Glen Dale. English seconded the motion and Council approved, all voting yes.

Blair made a motion to approve on first reading an ordinance of the City of Glen Dale, WV prohibiting the sale of cigarettes or tobacco products to persons under eighteen and prohititing smoking or chewing of tobacco on school property and affixing penalties for violations. This was seconded by Jack and approved by Council - all voting yes.

Council gave a vote of thanks to the Weeders & Seeders Garden Club for their donation of $892.46 to the City. The money will be used to buy flowers or shrubs for the City.

The summer youth program will start on June 22nd.

Joe Blair made a motion to adjourn, Jack seconded the motion and Council approved.

David W. Blazer, Mayor

Clifton C. Wilson, Recorder

Glen Dale Council met in regular session on Monday, June 22, 1998 at 7:30 p.m. in the Glen Dale Fireman's Hall on 7th Street. Present were Mayor Blazer, Recorder Wilson, and Council members Blair, English, Jack, McCausland, and Stenger. Present also were Attorney Gardner, Accountant Dobbs, Street Commissioner Adams, and City Clerk Bell.

✓ The 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. This was the third reading and public hearing for this ordinance. Jack made a motion to approve the ordinance, English seconded the motion, and Blair voted yes, McCausland - yes, Stenger - yes, Jack - yes and English - yes.

On second reading an ordinance of the City of Glen Dale, WV requiring operators and passengers of bicycles under the age of fifteen years of age of wear helmets and affixing the penalties for violations. Jack made a motion to approve the ordinance, English seconded the motion and Council approved - all voting yes.

On second reading an ordinance of the City of Glen Dale, WV, adding to Article 1. Miscellaneous provisions of Section 1A, being Ordinance No. 15D-1-1A, providing that no trucks, tractor trailers, semi-trucks or equivalent vehicles be permitted to park on the city streets, in the City of Glen Dale, WV. Blair made a motion to approve the ordinance McCausland seconded the motion and Council approved - all voting yes.

On second reading an ordinance of the City of Glen Dale, WV changing Chapter 15C, Article 10, Section 20, vehicle security, in the City of Glen Dale. McCausland made a motion to approve the ordinance, and Jack seconded the motion and it was approved - all voting yes.

On second reading an ordinance of the City of Glen Dale, WV, prohibiting the sale of cigarettes or tobacco products to persons under eighteen and prohibiting use of tobacco or tobacco products by persons under eighteen and prohibiting smoking or chewing of tobacco on school property and affixing penalties for violations. Blair made a motion to approve the ordinance, Jack seconded the motion and Council approved, all voting yes.

McCausland made a motion to adopt a resolution to proceed to get the bonds approved. Jack seconded the motion and Council approved.

A request has been received to rezone 1614 Wheeling Avenue from multi-family residential to commercial highway. Stenger made a motion to turn the request over to the Planning Commission. English seconded the motion and Council approved.

A discussion was held about the dump truck bed being bid out - it was decided that the minimum bid would be $800.00 and it will be advertised.

McCausland made a motion to pay the bills in the amount of $10,829.47 English seconded the motion and Council approved.

McCausland made a motion that Council accept a price of $4000 from World Radio Telecommunications, also a 1 year warranty. Blair seconded the motion and Council approved.

Accountant Dobbs advised that we would end the year with a surplus in our budget.

Jack reported that the Mack garbage truck needed a major repair and he has been unable to find a replacement for the old garbage truck so far. Crack sealing starts on June 23rd at 8th Street.

Water Department reported that they had received their truck from WV Surplus.

There have been complaints about a cat problem in the area of 12th and 13th Street. People are advised to keep their animals on a leash.

Marianne McCausland was honored by Council for her 12 years of service to the City of Glen Dale.

McCausland made a motion to adjourn, Stenger seconded the motion and Council approved.

David W. Blazer, Mayor

Recorder Clifton C. Wilson

Glen Dale Council met in regular session on July 13, 1998. Present were Mayor Blazer, Recorder Wilson, and Council members Jack, English, Blair, and Pavlik. Attorney Jackson, Street Commissioner Adams and City Clerk Bell were present also.

Council received a letter from the Glen Dale Planning Commission concerning a request for a zone change by Wesley Neal & Terry Wright to build a self serve car wash at 1614 Wheeling Avenue. The Planning Commission recommended that Council change the Zoning ordinance for that area from Multi-Family Residential to Commercial Highway. Joe Blair made a motion to change the property at 1614 Wheeling Avenue from Multi-Family Residential to Commercial Highway. Joe Jack seconded the motion and Council approved unanimously.

English made a motion to approve on first reading an Ordinance of the City of Glen Dale, WV relating to Section 502, Neighborhood Commercial District C-N, and adding an appeals provision in regard to permitted special exceptions under said section 502 and creating Section 505, limited neighborhood Commercial District LC-N. Blair seconded the motion and Council approved, Jack voting yes, Blair - yes, English-yes, Pavlik - yes.

✓ Joe Blair made a motion to approve a 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 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. Joe Jack seconded the motion and Council approved, Jack - yes, English-yes, Blair - yes, and Pavlik - yes.

English made a motion made a motion to pay bills amounting to $16,082.37 and Pavlik seconded the motion and Council approved.

Larry English reported that Glen Dale's appeal to the Public Service Commission for a reduction in the cost of sewage to the Moundsville Plant has been rejected. The cost to the City of Glen Dale will increase by approximately $10,000 per month.

Joe Blair reported that the City is in need of a new air compressor. Jack made a motion to purchase an air compressor at a cost of approximately $6,000, to be split three ways. English seconded the motion and Council approved.

Blair moved to adjourn, Jack seconded the motion and Council approved.

David W. Blazer

David W. Blazer, Mayor

Clifton C. Wilson

Clifton C. Wilson, Recorder

21D

The MOUNDSVILLE DAILY ECHO

(304) 845-2660
PO BOX 369
MOUNDSVILLE
WV 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 Democratic 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 of 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 bond ordinance

CERTIF-BILL TO

Steptoe & Johnson
Francesca Tan
POBox 2190
Clarksburg WV 26301

WAS PUBLISHED IN SAID NEWSPAPER AS FOLLOWS:

TIMES	DATES
two	June 9,16,1998

By WORDS	PUBLICATION CHARGES
543@.1225	$66.52

(signed) Marian L Walton

NOTARIZATION

Taken, sworn to and subscribed before me this 18th day of June 1998.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LINDA M. MASSIE
Moundsville Daily Echo
P.O. Box 369
Moundsville, West Virginia 26041
My Commission Expires Jan. 9, 2006

Notary publ L. M. Massie

LEGAL ADVERTISEMENT
CITY OF GLEN DALE
NOTICE OF PUBLIC HEARING ON
WATER REVENUE 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 June 22, 1998, at 7:30 p.m. in the Council chambers at the Glen Dale City Hall, 402 Wheeling Avenue, Glen Dale, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council 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 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.

The above-entitled Ordinance was adopted by the Council of the City on June 8, 1998.

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 said Ordinance. The proceeds of the Bonds will be used to provide permanent financing of a portion of the costs of acquisition and construction of addit betterments and improvement the existing public waterw system of the City. The Bonds payable solely from revenues t derived from the ownership operation of the waterworks sys of the City. No taxes may at time be levied for the paymen the Bonds or the interest thereor

A certified copy of the ab entitled Ordinance is on file the Council at the office of Recorder of the City for review interested parties during reg office hours.

Following said public hear the Council intends to enact ordinance upon final reading.

Dated: June 9, 1998.
s/s David Blazer
Mayor
PUBLISH: June 9, 16, 1998.

22

STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SIXTH FLOOR

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

FACSIMILE (304) 624-8183

BANK ONE CENTER, SEVENTH FLOOR
P. O. BOX 1588
CHARLESTON, W. VA. 25326-1588
(304) 353-8000
FACSIMILE (304) 353-8180

1000 HAMPTON CENTER
P. O. BOX 1616
MORGANTOWN, W. VA. 26507-1616
(304) 598-8000
FACSIMILE (304) 598-8116

126 EAST BURKE STREET
P. O. BOX 2629
MARTINSBURG, W. VA. 25402-2629
(304) 263-6991
FACSIMILE (304) 262-3541

RILEY BUILDING, FOURTH FLOOR
14TH AND CHAPLINE STREETS
P. O. BOX 150
WHEELING, W. VA. 26003-0020
(304) 233-0000
FACSIMILE (304) 233-0014

THE RIVERS OFFICE PARK
200 STAR AVENUE, SUITE 220
P. O. BOX 628
PARKERSBURG, W. VA. 26102-0628
(304) 422-6463
FACSIMILE (304) 422-6462

ALAN B. MOLLOHAN INNOVATION CENTER
1000 TECHNOLOGY DRIVE
P. O. BOX 2210
FAIRMONT, W. VA. 26554-8824
(304) 368-8000
FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

August 26, 1998

City of Glen Dale
Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Internal Revenue Service
Internal Revenue Service Center
Philadelphia, Pennsylvania 19255

Ladies and Gentlemen:

Enclosed herewith is a completed and executed Internal Revenue Service Form 8038-G and a file copy thereof with regard to the above-captioned bonds. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked in red as the "File Copy" to me (after acknowledging receipt of the same) in the enclosed self-addressed, stamped envelope. Thank you for your attention to this matter.

Very truly yours,

Francesca Tan

Francesca Tan

FT/jmg
Enclosures
Copy of letter with enclosures to:
Samme L. Gee, Esquire
Mayor David Blazer
333190/98001

CL450094.2

Form **8038-G** (Rev. May 1998) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

(Note: Use Form 8038-GC if the issue price is under $100,000.)

OMB No. 1545-0720

Part I Reporting Authority — If Amended Return, check here ▶ ☐

1 Issuer's name: CITY OF GLEN DALE

2 Issuer's employer identification number: 55 : 6000179

3 Number and street (or P.O. box if mail is not delivered to street address): 402 Wheeling Avenue — Room/suite:

4 Report number: G19 98 - 1

5 City, town, or post office, state, and ZIP code: Glen Dale, West Virginia 26038

6 Date of issue: 8/26/98

7 Name of issue: City of Glen Dale Water Revenue Bonds, Series 1998 A (WV Water Development Authority)

8 CUSIP number: N/A

Part II Type of Issue (check applicable box(es) and enter the issue price)

9	☐ Education (attach schedule-see instructions)	9	$
10	☐ Health and hospital (attach schedule-see instructions)	10	
11	☐ Transportation	11	
12	☐ Public safety	12	
13	☒ Environment (including sewage bonds)	13	500,000
14	☐ Housing	14	
15	☐ Utilities	15	
16	☐ Other. Describe (see instructions) ▶	16	
17	If obligations are tax or other revenue anticipation bonds, check box ▶ ☐		
18	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations

	(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
19 Final maturity	10/1/2035	6.250 %	$32,881.12	$32,881.12			
20 Entire issue			$500,000	$500,000	25.473 years	6.251 %	6.250 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

21	Proceeds used for accrued interest		21	-0-
22	Issue price of entire issue (enter amount from line 20, column (c))		22	$500,000
23	Proceeds used for bond issuance costs (including underwriters' discount)	23 $8,000		
24	Proceeds used for credit enhancement	24 -0-		
25	Proceeds allocated to reasonably required reserve or replacement fund	25 -0-		
26	Proceeds used to currently refund prior issues	26 -0-		
27	Proceeds used to advance refund prior issues	27 -0-		
28	Total (add lines 23 through 27)		28	$8,000
29	Nonrefunding proceeds of the issue (subtract line 28 from line 22 and enter amount here)		29	$492,000

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.) N/A

30 Enter the remaining weighted average maturity of the bonds to be currently refunded ▶ _____ years

31 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ _____ years

32 Enter the last date on which the refunded bonds will be called ▶ _____

33 Enter the date(s) the refunded bonds were issued ▶

Part VI Miscellaneous

34	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	34	-0-
35	Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(i)(III) (small issuer exception)	35	-0-
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	-0-
b	Enter the final maturity date of the guaranteed investment contract ▶		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	-0-

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☒ and enter the name of the issuer ▶ West Virginia Water Development Authority and the date of the issue ▶ January 9, 1996

38 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

39 If the issuer has identified a hedge, check box ▶ ☐

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Please Sign Here ▶ David W. Blazer — Signature of issuer's authorized representative — Date: 8/26/98 ▶ David Blazer, Mayor — Type or print name and title

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Cat. No. 63773S — Form 8038-G (Rev. 5-98)

Printed on recycled paper

WV MUNICIPAL BOND COMMISSION

812 Quarrier Street
Suite 300
Charleston, WV 25301
(304)558-3971

NEW ISSUE REPORT FORM

Date of Report: August 26, 1998

(See Reverse for Instructions)

ISSUE: CITY OF GLEN DALE Water Revenue Bonds, Series 1998 A (WV Water Development Authority)

ADDRESS: 402 Wheeling Avenue, Glen Dale, WV 26038 COUNTY: Marshall

PURPOSE OF ISSUE: New Money X Refunding ___ Refunds issue(s) dated: .

ISSUE DATE: 8/26/98 CLOSING DATE: 8/26/98

ISSUE AMOUNT: $ 500,000 RATE: 6.25%

1st DEBT SERVICE DUE: 10/1/98 1st PRINCIPAL DUE: 10/1/98, $344.18

1st DEBT SERVICE AMOUNT: $3,382.37 PAYING AGENT: Municipal Bond Commission

ISSUERS

BOND COUNSEL: Steptoe & Johnson
Contact Person: Vincent A. Collins, Esq.
Phone: 624-8161

CLOSING BANK: One Valley Bank-North, Inc.
Contact Person: John Beatty
Phone: 845-2470

KNOWLEDGEABLE ISSUER CONTACT

Contact Person: David Blazer
Position: Mayor
Phone: 845-5511 FAX: 845-5581

UNDERWRITERS

BOND COUNSEL: Jackson & Kelly
Contact Person: Samme L. Gee, Esquire
Phone: 340-1318

ESCROW TRUSTEE:
Contact Person:
Phone:

OTHER: WV Water Development Authority
Contact Person: Daniel B. Yonkosky
Function: Director
Phone: 558-3612

DEPOSITS TO MBC AT CLOSE:

By ___ Wire
___ Check

___ Accrued Interest: $
___ Capitalized Interest: $
___ Reserve Account: $
___ Other: $

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By ___ Wire
___ Check
___ IGT

___ To Escrow Trustee: $
___ To Issuer: $
___ To Cons. Invest. Fund: $
___ To Other: $

NOTES:

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED:

TRANSFERS REQUIRED:

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basis facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The Commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the WV Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all suppliments, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes".

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at close are required, please submit this form before closing. If no significant facts change by closing, no resubmission at close is required. If, however, there are changes, please submit an updated form, with changes noted, at close.

If you should have any questions concerning this form, please call the Commission.

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

ONE VALLEY BANK - NORTH, INC., Glen Dale, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance duly enacted by the City of Glen Dale (the "Issuer") on June 22, 1998, and a Supplemental Resolution duly adopted by the Issuer on July 13, 1998 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, in the principal amount of $500,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with such Bonds, all as set forth in said Bond Legislation.

WITNESS my signature on this 26th of August, 1998.

ONE VALLEY BANK - NORTH, INC.

Senior Vice President

08/10/98
333190/98001

CL450107.2

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

ACCEPTANCE OF DUTIES AS REGISTRAR

ONE VALLEY BANK, NATIONAL ASSOCIATION, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with City of Glen Dale Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), dated August 26, 1998, in the principal amount of $500,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with such Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 26th day of August, 1998.

ONE VALLEY BANK,
NATIONAL ASSOCIATION

Charlotte S. Morgan

Assistant Vice President

08/07/98
333190/98001

CL450128.2

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

CERTIFICATE OF REGISTRATION OF BONDS

ONE VALLEY BANK, NATIONAL ASSOCIATION, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement in connection with the above-captioned bond of the City of Glen Dale (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered the City of Glen Dale Water Revenue Bond, Series 1998 A (West Virginia Water Development Authority), of the Issuer, dated August 26, 1998, in the principal amount of $500,000, numbered AR-1, was registered as to principal and interest in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of One Valley Bank, National Association, as Registrar.

WITNESS my signature on this 26th day of August, 1998.

ONE VALLEY BANK,
NATIONAL ASSOCIATION

Charlotte S Morgan

Assistant Vice President

08/07/98
333190/98001

CL450130.2

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 26th day of August, 1998, by and between the CITY OF GLEN DALE, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $500,000 aggregate principal amount of Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority) in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted June 22, 1998, and a Supplemental Resolution of the Issuer duly adopted July 13, 1998 (collectively, the "Bond Legislation");

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

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

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

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

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds

upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

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

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

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

ISSUER: City of Glen Dale
402 Wheeling Avenue
Glen Dale, West Virginia 26038
Attention: Mayor

REGISTRAR: One Valley Bank, National Association
Post Office Box 1793
One Valley Square
Charleston, West Virginia 25326
Attention: Corporate Trust Department

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

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

CITY OF GLEN DALE

Mayor

ONE VALLEY BANK, NATIONAL ASSOCIATION

Assistant Vice President

08/07/98
333190/98001

EXHIBIT A

[Included in transcript as Documents No. 1 and 2]

Invoice

ONE VALLEY BANK

MAYOR DAVID BLAZER
CITY OF GLEN DALE
402 WHEELING AVENUE
GLEN DALE WV 26038

DATE AUGUST 26, 1998

UNITS	ITEM DESCRIPTION	TOTAL
	CITY OF GLEN DALE WV WATER REVENUE BONDS, SERIES 1998 A (WV WDA)	
	ONE TIME FEE FOR SERVICES AS REGISTRAR AND AUTHENTICATING AGENT.....	$250.00

SEND REMITTANCE TO: One Valley Bank
One Financial Place - 6th Floor
One Valley Square
P.O. Box 1793
Charleston, WV 25326
ATTN: CHARLOTTE S MORGAN

CITY OF GLEN DALE

Water Revenue Bonds, Series 1998 A
(West Virginia Water Development Authority)

ASSIGNMENT SEPARATE FROM BOND

FOR VALUE RECEIVED, the West Virginia Water Development Authority hereby sells, assigns and transfers unto The Bank of New York, New York, New York, the Water Revenue Bonds, Series 1998 A (West Virginia Water Development Authority), of the City of Glen Dale in the principal amount of $500,000, numbered AR-1, dated August 26, 1998, standing in the name of the West Virginia Water Development Authority on the books of said Issuer.

WITNESS my signature on this 26th day of August, 1998.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Barbara B Meadows
Authorized Representative

08/07/98
333190/98001

CL450132.2