

**CITY OF GLENVILLE**

**Combined Waterworks and Sewerage System Revenue Bonds  
Series 1998 (United States Department of Agriculture)**

**Date of Closing: October 21, 1998**

**BOND TRANSCRIPT**

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Revenue Bonds, Series 1998  
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**BOND TRANSCRIPT**

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05/04/98  
333300/97001



**CITY OF GLENVILLE**

**Combined Waterworks and Sewerage System  
Revenue Bonds, Series 1998  
(United States Department of Agriculture)**

**BOND ORDINANCE**

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CITY OF GLENVILLE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF GLENVILLE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,450,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1998 (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF GLENVILLE:

ARTICLE I

STATUTORY AUTHORITY,  
FINDINGS AND DEFINITIONS

Section 1.01. Authority for This Ordinance. This Ordinance is adopted and enacted pursuant to the provisions of Chapter 8, Article 20 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law. The City of Glenville (the "Issuer") is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia in Gilmer County of said State.

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

A. The Issuer currently owns and operates a public combined waterworks and sewerage system and desires to acquire, construct and operate certain additions,

betterments and improvements to the sewerage portion of the existing combined waterworks and sewerage system, with all appurtenant facilities.

B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer and, accordingly, it is hereby ordered, that there be acquired and constructed certain additions, betterments and improvements to the sewerage portion of the existing combined waterworks and sewerage system of the Issuer, consisting of certain improvements to its sewer collection system to check excessive inflow and infiltration and prevent the frequent direct discharge of raw sewage into the Little Kanawha River, with all necessary appurtenant facilities (the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Clerk of the Issuer. The existing combined waterworks and sewerage system of the Issuer, together with the Project and any further additions, betterments and improvements thereto, are herein called the "System." The acquisition and construction of the Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

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

D. The estimated maximum cost of the acquisition and construction of the Project is \$3,100,000, of which \$1,450,000 will be obtained from the proceeds of sale of the Series 1998 Bonds herein authorized, \$400,000 will be obtained from a grant by the Purchaser (as hereinafter defined) and \$1,250,000 will be obtained from a grant by the United States Department of Housing and Urban Development (Small Cities Block Grant through the State of West Virginia).

E. It is necessary for the Issuer to issue its Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture), in the aggregate principal amount of \$1,450,000 (the "Series 1998 Bonds"), to finance a portion of the cost of acquisition and construction of the Project. The cost of such acquisition and construction shall be deemed to include, without being limited to, the construction or acquisition of the Project; the acquisition of any property rights, easements and franchises, deemed necessary or convenient therefor; interest on the Series 1998 Bonds prior to and during acquisition and construction and for a period not exceeding six months after completion of such acquisition or construction of the Project; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the acquisition and construction of the Project and the financing authorized hereby; provided that, reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 1998

Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project.

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

G. There are outstanding obligations of the Issuer which will be senior and prior to the Series 1998 Bonds as to liens, pledge and source of and security for payment, being the Combined Waterworks and Sewerage Revenue Bonds, dated June 1, 1963, issued in the original aggregate principal amount of \$625,000 (the "Series 1963 Bonds"), which are held by members of the public. There are outstanding obligations of the Issuer which will be on a parity with the Series 1998 Bonds as to liens, pledge and source of and security for payment, being the Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, dated November 7, 1973, issued in the original aggregate principal amount of \$325,000 (the "Series 1972 Bonds") and the Combined Waterworks and Sewerage System Revenue Bonds, Series 1986, dated January 19, 1988, issued in the original aggregate principal amount of \$348,000 (the "Series 1986 Bonds"), which are both held by the Purchaser (as hereinafter defined). The Series 1963 Bonds, the Series 1972 Bonds and the Series 1986 Bonds are hereinafter called the "Prior Bonds". There are no other outstanding bonds or obligations of the Issuer which will rank prior to or on a parity with the Series 1998 Bonds as to liens, pledge and source of and security for payment. The Issuer is not in default under the terms of the Prior Bonds, the ordinances authorizing the Prior Bonds or any document in connection therewith.

H. It is in the best interest of the Issuer that the Series 1998 Bonds be sold to the Purchaser, pursuant to the terms and provisions of a Letter of Conditions dated February 18, 1997, and any other amendments thereto (collectively, the "Letter of Conditions").

I. The Issuer has complied with all requirements of law relating to authorization of the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Series 1998 Bonds, or will have so complied prior to issuance of the Series 1998 Bonds, including among other things and without limitation, obtaining a certificate of convenience and necessity for the Project from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of the Series 1998 Bonds by those who shall be the registered owner of the same from time to time, this Ordinance (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Bondholder, and the covenants and agreements set forth herein to be performed by the Issuer shall be for the benefit, protection and security of the registered owner of the Series 1998 Bonds.

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

"Act" means Chapter 8, Article 20 of the West Virginia Code of 1931, as amended.

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

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

"Bonds" means, collectively, the Series 1998 Bonds and the Prior Bonds.

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

"Consulting Engineer" means Woolpert Consultants, Charleston, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

"Depository Bank" means United National Bank, Glenville, West Virginia, a bank or trust company which is a member of FDIC (herein defined), and its successors and assigns.

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

"FDIC" means the Federal Deposit Insurance Corporation.

"Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.

"Governing Body" or "Council" means the Council of the Issuer.

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

"Herein" or "herein" means in this Bond Legislation.

"Issuer" or "Borrower" means the City of Glenville, a municipal corporation and political subdivision of the State of West Virginia, in Gilmer County, West Virginia, and includes the Governing Body.

"Letter of Conditions" means, collectively, the Letter of Conditions of the Purchaser dated February 18, 1997, and any other amendments thereto.

"Mayor" means the Mayor of the Issuer.

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

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

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the Project and the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, materials and supplies, pumping costs, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the Project and the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting principles and retention of a sum not to exceed one-sixth of the budgeted Operating Expenses stated above for the current year as working capital, and language herein requiring payment of Operating Expenses means also retention of not to exceed such sum as working capital, provided that all monthly amortization payments upon the Bonds and into all funds and accounts have been made to the last monthly date prior to the date of such retention.

"1986 Ordinance" means the ordinance of the Issuer enacted September 15, 1986, authorizing the Series 1986 Bonds.

"1972 Ordinance" means the ordinance of the Issuer enacted December 11, 1972, authorizing the Series 1972 Bonds.

"1963 Ordinance" means the ordinance of the Issuer enacted August 5, 1963, authorizing the Series 1963 Bonds.

"Ordinances" means, collectively, the Bond Legislation and the Prior Ordinances.

"Prior Bonds" means, collectively, the Series 1963 Bonds, the Series 1972 Bonds and the Series 1986 Bonds.

"Prior Ordinances" means, collectively, the 1963 Ordinance, the 1972 Ordinance and the 1986 Ordinance.

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

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

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Recorder" means the Recorder of the Issuer.

"Registered Owner," "Bondholder," "Holder of the Bond" or any similar term means any person who shall be the registered owner of the Bond.

"Revenues" or "Gross Revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"Series 1998 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture), authorized hereby to be issued pursuant to this Bond Legislation.

"Series 1986 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 1986, of the Issuer described in Section 1.02G hereof.

"Series 1972 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, of the Issuer described in Section 1.02G hereof.

"Series 1963 Bonds" means the Combined Waterworks and Sewerage Revenue Bonds, of the Issuer described in Section 1.02G hereof.

"State" means the State of West Virginia.

"System" means the complete combined waterworks and sewerage system of the Issuer and all waterworks and sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the combined waterworks and sewerage system, including the Project, and any and all additions, betterments, improvements, properties or other facilities at any time acquired or constructed for the combined waterworks and sewerage system after completion of the Project.

"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 the acquisition and construction of the Project, at an estimated cost of \$3,100,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 1998 Bonds hereby authorized shall be applied as provided in Article IV hereof.

### ARTICLE III

#### AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF BONDS

Section 3.01. Authorization of Bonds. Subject and pursuant to the provisions of the Bond Legislation, the Series 1998 Bonds of the Issuer, to be known as "Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture)," are hereby authorized to be issued in the aggregate principal amount of not exceeding \$1,450,000 for the purpose of permanently financing a portion of the cost of the acquisition and construction of the Project.

Section 3.02. Description of Bonds. The Series 1998 Bonds shall be issued in single form, numbered R-1, only as a fully registered Bond, and shall be dated on the date of delivery thereof. The Series 1998 Bonds shall bear interest from date of delivery, payable monthly at the rate of 4.5% per annum, and shall be sold for the par value thereof.

The Series 1998 Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the Bond form hereinafter set forth.

Section 3.03. Negotiability, Registration, Transfer and Exchange of Bonds. The Series 1998 Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the Series 1998 Bonds, and the right to principal of and stated interest on the Series 1998 Bonds, may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 3.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Series 1998 Bonds for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Bond Registrar.

Whenever the Series 1998 Bonds shall be surrendered for registration of transfer, the Issuer shall execute and deliver a new Bond or Bonds in authorized denominations, for a like aggregate principal amount. The Bond Registrar shall require the payment by the new owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, but the Issuer shall pay any other expenses incurred by the Bond Registrar with respect to such transfer.

No registration of transfer of the Series 1998 Bonds shall be permitted to be made after the 15th day next preceding any installment payment date on the Series 1998 Bonds.

Section 3.04. Bond Registrar. The Issuer shall be the Bond Registrar and will keep or cause to be kept, at its office, sufficient books for the registration and transfer of the Series 1998 Bonds, and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register the Series 1998 Bonds initially issued pursuant hereto and register the transfer, or cause to be registered, on such books, the transfer of the Series 1998 Bonds as hereinbefore provided.

The Bond Registrar shall accept the Series 1998 Bonds for registration or transfer only if ownership thereof is to be registered in the name of the Government, an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust, and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The Series 1998 Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America. So long as the Series 1998 Bonds shall be registered in the name of the United States of America, the address of the United States of America for registration purposes shall be National Finance Office, St. Louis, Missouri 63103, or such other address as shall be stated in writing to the Issuer by the United States of America.

Section 3.05. Execution of Bonds. The Series 1998 Bonds shall be executed in the name of the Issuer by the Mayor and the seal of the Issuer shall be affixed thereto and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 1998 Bonds shall cease to be such officer of the Issuer before the Series 1998 Bonds so signed and sealed have been actually sold and delivered, such Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bond had not ceased to hold such office. Any Series 1998 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bond shall hold the proper office in the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 1998 Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Series 1998 Bonds so surrendered shall be canceled and held for the account of the Issuer. If the Series 1998 Bonds shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same, and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 3.07.      Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1998 Bonds shall be secured forthwith by a first lien on the Net Revenues derived from the System on a parity with the Series 1986 Bonds and the Series 1972 Bonds and junior and subordinate to the Series 1963 Bonds. The Net Revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Series 1998 Bonds and the Prior Bonds and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Series 1998 Bonds and the Prior Bonds as the same become due.

Section 3.08.      Form of Bonds. Subject to the provisions hereof, the text of the Series 1998 Bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or by any ordinance enacted or any resolution adopted after the date of enactment hereof and prior to the issuance thereof:

(FORM OF BOND)

CITY OF GLENNVILLE

COMBINED WATERWORKS AND SEWERAGE SYSTEM  
REVENUE BOND, SERIES 1998  
(UNITED STATES DEPARTMENT OF AGRICULTURE)

\$1,450,000

No. R-1

Date: \_\_\_\_\_

FOR VALUE RECEIVED, the CITY OF GLENNVILLE (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$1,450,000), plus interest on the unpaid principal balance at the rate of 4.5% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof, and \$6,656, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 40 years from the date of this Bond, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the

regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of acquisition and construction of additions, betterments and improvements to the combined waterworks and sewerage system (the "System") of the Borrower, is payable solely from and secured by net revenues to be derived from the operation of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation, nor shall the Borrower be obligated to pay the same or the interest thereon except from the special fund so provided.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at said office of the Borrower,

as Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

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

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 20 of the West Virginia Code, as amended (the "Act"), and an Ordinance of the Borrower duly enacted on \_\_\_\_\_, authorizing issuance of this Bond (the "Ordinance").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

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

**THIS BOND IS ISSUED JUNIOR AND SUBORDINATE AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, TO THE SERIES 1963 BONDS AND ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE SERIES 1972 BONDS AND THE SERIES 1986 BONDS, ALL AS DEFINED AND DESCRIBED IN THE ORDINANCE.**

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

CITY OF GLENVILLE  
(Name of Borrower)

[CORPORATE SEAL]

\_\_\_\_\_  
(Signature of Executive Official)

Mayor  
(Title of Executive Official)

20 North Court Street  
(P. O. Box No. or Street Address)

Glenville, West Virginia 26351  
(City, State and Zip Code)

ATTEST:

\_\_\_\_\_  
(Signature of Attesting Official)

Recorder  
(Title of Attesting Official)

RECORD OF ADVANCES

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

TOTAL                    \$ \_\_\_\_\_

(Form of Assignment)

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:

\_\_\_\_\_

## ARTICLE IV

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

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

- (1) Revenue Fund (established by the Prior Ordinances); and
- (2) Project Construction Account.

B. The following special funds or accounts are created with (or continued if previously established by the Prior Ordinances), and shall be held by the Commission, separate and apart from all other funds or accounts of the Commission and from each other:

- (1) Sinking Fund (established by the 1963 Ordinance and hereinafter called the "Series 1963 Bonds Sinking Fund");
- (2) Reserve Account (established by the 1963 Ordinance and hereinafter called the "Series 1963 Bonds Reserve Account");
- (3) Depreciation Account (established by the 1963 Ordinance);
- (4) 1972 Sinking Fund (established by the 1972 Ordinance and hereinafter called the "Series 1972 Bonds Sinking Fund");
- (5) 1972 Reserve Account (established by the 1972 Ordinance and hereinafter called the "Series 1972 Bonds Reserve Account"); and
- (6) Series 1998 Bonds Reserve Account.

Section 4.02. Bond Proceeds; Project Construction Account. The proceeds of the sale of the Series 1998 Bonds shall be deposited upon receipt by the Issuer in the Project Construction Account. The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Until completion of acquisition and construction of the Project, the Issuer will additionally transfer from the Project Construction Account and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installment payments on the Series 1998 Bonds if there are not sufficient Net Revenues to make such monthly payment.

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

Pending application as provided in this Section 4.02, money and funds in the Project Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

**Section 4.03. Covenants of the Issuer as to Revenues and Funds.** So long as the Series 1998 Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 1998 Bonds Reserve Account, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Series 1998 Bonds remaining unpaid, together with interest accrued to the date of such payment, the Issuer further covenants with the holder of the Series 1998 Bonds as follows:

A. **REVENUE FUND.** The entire Gross Revenues derived from the operation of the System, and all parts thereof, and all Tap Fees received, shall be deposited as collected by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Ordinances and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in the Ordinances.

B. **DISPOSITION OF REVENUES PENDING PAYMENT OF THE SERIES 1963 BONDS.** All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority, subject to the provisions of Section 3.02(B) of the 1963 Ordinance, Section 3.02(A) and (B) of the 1972 Ordinance and Section 3.02(A) and (B) of the 1986 Ordinance:

(1) Until payment or provision for payment in full of the Series 1963 Bonds and the coupons appertaining thereto, after making the required transfers and deposits from the Revenue Fund established by the 1963 Ordinance into the Series 1963 Bonds Sinking Fund and the Series 1963 Bonds Reserve Account therein and the Depreciation

Account, all established by the 1963 Ordinance, and after paying the Operating Expenses of the System as provided and defined in the 1963 Ordinance, and after paying any other charges and expenses required to be paid pursuant to the 1963 Ordinance, the Issuer will retain not more than the amount for working capital permitted by the 1963 Ordinance in the Revenue Fund for use as working capital and will transfer the balance in such Revenue Fund to the Depreciation Account. Until payment or provision for payment in full of the Series 1963 Bonds and the coupons appertaining thereto, moneys in the Depreciation Account established by the 1963 Ordinance shall be used first to replace, but not add, any capital assets of the System as may be necessary to comply with the 1963 Ordinance, and there shall be retained in the Depreciation Account, for use only to replace capital assets of the System, all the moneys on deposit in the Depreciation Account on the date of delivery of the Series 1998 Bonds and the monthly deposits made into the Depreciation Account in compliance with the provisions of Section 3.02(B)(3) of the 1963 Ordinance, subject to withdrawals of such moneys as permitted by Section 3.02(B)(5) of the 1963 Ordinance.

(2) The Issuer shall next, each month, not less than 30 days prior to the due date thereof, transfer from the Depreciation Account and (i) remit to the Commission for deposit into the Series 1972 Bonds Sinking Fund, the amounts required by the 1972 Ordinance for payment of interest on and principal of the Series 1972 Bonds; and (ii) remit to the National Finance Office, the amounts required to pay the interest on the Series 1986 Bonds and the Series 1998 Bonds and to amortize the principal of the Series 1986 Bonds and the Series 1998 Bonds over the respective lives of each Bond issue. All payments with respect to the interest on and principal of the Series 1972 Bonds, the Series 1986 Bonds and the Series 1998 Bonds shall be made on an equal pro rata basis in accordance with the respective aggregate principal amounts thereof outstanding and on a parity with each other.

The Issuer shall also remit from the Depreciation Account to the Commission, from time to time, such amounts as shall be required to pay the fiscal charges due to paying agents for paying the Series 1972 Bonds and the interest thereon.

(3) The Issuer shall next, each month, transfer from the Depreciation Account and remit to the Commission for deposit into (i) the Series 1972 Bonds Reserve Account, the amount required by the 1972 Ordinance and the 1986 Ordinance to be deposited in the Series 1972 Bonds Reserve Account for the Series 1972 Bonds and the Series 1986 Bonds; and (ii) the Series 1998 Bonds Reserve Account,

0.4167% of the Minimum Reserve, until the amount in the Series 1998 Bonds Reserve Account equals the Minimum Reserve. Moneys in the Series 1998 Bonds Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the Series 1998 Bonds to the National Finance Office as the same shall become due or for prepayment of installments on the Series 1998 Bonds, or for mandatory prepayment of the Series 1998 Bonds as hereinafter provided, and for no other purpose.

C. DISPOSITION OF REVENUES AFTER PAYMENT OF THE SERIES 1963 BONDS. After payment or provision for payment in full of the Series 1963 Bonds and the coupons appertaining thereto, all Revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority, subject to the provisions of Section 3.02(C) of the 1972 Ordinance and Section 3.02(C) of the 1986 Ordinance not otherwise modified herein:

(1) The Issuer shall first, each month, pay from the moneys in the Revenue Fund all current Operating Expenses.

(2) The Issuer shall next, each month, not less than 30 days prior to the due date thereof, transfer from the Revenue Fund and (i) remit to the Commission for deposit into the Series 1972 Bonds Sinking Fund, the amounts required by the 1972 Ordinance for payment of interest on and principal of the Series 1972 Bonds; and (ii) remit to the National Finance Office, the amounts required to pay the interest on the Series 1986 Bonds and the Series 1998 Bonds and to amortize the principal of the Series 1986 Bonds and the Series 1998 Bonds over the respective lives of each Bond issue. All payments with respect to the interest on and principal of the Series 1972 Bonds, the Series 1986 Bonds and the Series 1998 Bonds shall be made on an equal pro rata basis in accordance with the respective aggregate principal amounts thereof outstanding and on a parity with each other.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and remit to the Commission for deposit into (i) the Series 1972 Bonds Reserve Account, the amount required by the 1972 Ordinance and the 1986 Ordinance to be deposited in the Series 1972 Bonds Reserve Account for the Series 1972 Bonds and the Series 1986 Bonds; and (ii) the Series 1998 Bonds Reserve Account, 0.4167% of the Minimum Reserve, until the amount in the Series 1998 Bonds Reserve Account equals the Minimum Reserve. Moneys in the Series 1998 Bonds Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the Series 1998 Bonds to the National Finance Office as the same shall become due or

for prepayment of installments on the Series 1998 Bonds, or for mandatory prepayment of the Series 1998 Bonds as hereinafter provided, and for no other purpose.

(4) The Issuer shall next, each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Depreciation Account, (i) the amount required by the 1972 Ordinance and the 1986 Ordinance to be deposited in the Depreciation Account for the Series 1972 Bonds and the Series 1986 Bonds; and (ii) 0.4167% of the Minimum Reserve, until the amount in the Series 1998 Bonds Reserve Account equals the Minimum Reserve, and thereafter, 0.8334% of the Minimum Reserve, so long as the Series 1998 Bonds are outstanding; provided, however, that in the event Revenues are insufficient to fund the Series 1998 Bonds Reserve Account in accordance with Section 4.03C(3)(ii) above, or a withdrawal of funds from the Series 1998 Bonds Reserve Account is made, payment of Revenues into the Depreciation Account as provided in this Section 4.03C(4)(ii) shall not be made, but instead Revenues shall be applied to the replenishment of the Series 1998 Bonds Reserve Account until such deficiency is cured, at which time payments into the Depreciation Account as provided in this Section 4.03C(4)(ii) shall resume. Moneys in the Depreciation Account shall be used first to make up any deficiencies for monthly payments of principal of and interest on the Series 1972 Bonds, the Series 1986 Bonds and the Series 1998 Bonds as the same become due, and next to restore to the Series 1972 Bonds Reserve Account and the Series 1998 Bonds Reserve Account any sum or sums transferred therefrom, all on a pro rata basis. Thereafter, and provided that payments into the Series 1972 Bonds Reserve Account and the Series 1998 Bonds Reserve Account are current and in accordance with the foregoing provisions, moneys in the Depreciation Account may be withdrawn by the Issuer and used for repairs, replacements, improvements and extensions to the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not permitted to be retained therein may be used to prepay installments of the Series 1972 Bonds, the Series 1986 Bonds and the Series 1998 Bonds, pro rata, or for any lawful purpose.

Whenever the moneys in the Series 1998 Bonds Reserve Account shall be sufficient to prepay the Series 1998 Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Series 1998 Bonds at the earliest practical date and in accordance with applicable provisions hereof.

The Commission is hereby designated as the Fiscal Agent for the administration of the Series 1998 Bonds Reserve Account and the Depreciation Account as herein provided, and all amounts required for the Series 1998 Bonds Reserve Account and the Depreciation Account will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein, together with written directions stating the amount remitted for deposit into each such fund.

The Revenue Fund, the Series 1998 Bonds Reserve Account and the Depreciation Account shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser shall have a lien thereon for further securing payment of the Series 1998 Bonds and the interest thereon, but the Depository Bank shall not be a trustee as to such funds.

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

Subject to the 1972 Ordinance and the 1986 Ordinance, the Depository Bank, at the direction of the Issuer, shall keep the moneys in the Series 1998 Bonds Reserve Account and the Depreciation Account invested and reinvested to the fullest extent possible in accordance with applicable law, and to the extent practicable, in Qualified Investments having maturities consonant with the required use thereof. Investments in any fund or account under this Bond Legislation shall, unless otherwise provided in the 1972 Ordinance and the 1986 Ordinance, or unless otherwise required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia Board of Investment Management. Except as otherwise provided in the 1972 Ordinance and the 1986 Ordinance, 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 interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings on moneys in the Series 1998 Bonds Reserve Account, so long as the Minimum Reserve is on deposit and maintained therein, shall be paid annually into the Revenue Fund by the Depository Bank.

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

D. **USER CONTRACTS.** The Issuer shall, prior to delivery of the Series 1998 Bonds, provide evidence that there will be at least 704 bona fide users upon the Project, in full compliance with the requirements and conditions of the Purchaser.

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

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

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

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

Section 4.04. Interim Construction Financing. In order to pay certain costs of the Project pending receipt of proceeds of the grants and advances of principal of the Series 1998 Bonds, the Issuer may issue and sell its interim construction notes in an aggregate principal amount not to exceed \$500,000 (the "Notes"). The Notes shall be in the form of a line of credit from a commercial bank or other lender, and the Issuer is hereby authorized to enter into a credit agreement, with such bank or other lender. The Notes shall bear interest from the date or dates, at such rate or rates, payable on such dates and shall mature on such date or dates and be subject to such prepayment or redemption, all as provided in the credit agreement.

The Notes shall be special obligations of the Issuer payable as to principal and interest solely from proceeds of the Series 1998 Bonds or the grants. The Notes do not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions. The general funds of the Issuer are not liable, and neither the full faith and credit nor the taxing power of the Issuer, if any, is pledged for the payment of the Notes. The Holders of the Notes shall never have the right to compel the forfeiture of any property of the Issuer. The Notes shall not be a debt of the Issuer, nor a legal or equitable pledge, charge, lien or encumbrance upon any property of the Issuer or upon any of its income, receipts or revenues except as set forth herein.

## ARTICLE V

### GENERAL COVENANTS

Section 5.01. General Statement. So long as the Series 1998 Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Series 1998 Bonds Reserve Account a sum sufficient to prepay the entire principal of the Series 1998 Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Holder of the Series 1998 Bonds.

Section 5.02. Rates. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to not less than 110% of the maximum annual debt service on the Bonds outstanding and sufficient to make the payments required to be made herein into the respective reserve accounts and the Depreciation Account and all the necessary expenses of operating and maintaining the system during such Fiscal Year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate Revenues for such purposes.

Section 5.03. Sale of the System. The System will not be sold without the prior written consent of the Purchaser so long as the Series 1998 Bonds are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 5.04. Issuance of Additional Parity Bonds or Obligations. No additional parity bonds or obligations payable out of any of the Revenues of the System shall be issued, except with the prior written consent of the Purchaser.

Section 5.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Series 1998 Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System and mechanical and electrical equipment in place or stored on the site in an amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the

application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the Bond.

(c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) Workers' Compensation Coverage for All Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(e) Flood Insurance to be procured, to the extent available at reasonable cost to the Issuer.

(f) Fidelity Bonds will be provided as to every member of the Governing Body and as to every officer and employee thereof having custody of the Revenue Fund or of any revenues or other funds of the Issuer in an amount at least equal to the total

funds in the custody of any such person at any one time, and initially in the amount of \$50,000 upon the treasurer, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned so long as checks thereon require the signature of a representative of the Purchaser.

(g) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Series 1998 Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or bonding companies acceptable to the Purchaser.

Section 5.06. Statutory Mortgage Lien. For the further protection of the Holder of the Series 1998 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect immediately upon the delivery of the Series 1998 Bonds and shall be junior and subordinate to the Series 1963 Bonds and on a parity with the Series 1972 Bonds and the Series 1986 Bonds.

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

(A) Failure to make payment of any monthly amortization installment on the Series 1998 Bonds at the date specified for payment thereof;

(B) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the Series 1998 Bonds or herein, or violation of or failure to observe any provision of any pertinent law.

Section 5.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Purchaser may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by the Purchaser, such court may, upon proof of such default appoint a receiver for the affairs of the Issuer and the System. The receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers

of the Issuer with respect to the System, shall proceed under the direction of the court to obtain authorization to increase rates and charges of the System, and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

**Section 5.09. Fiscal Year; Budget.** While the Series 1998 Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a Fiscal Year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than thirty days prior to the beginning of each Fiscal Year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser by the beginning of each Fiscal Year.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any Fiscal Year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than 10%; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser.

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

**Section 5.11. Books and Records.** The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser. The Issuer shall further comply with the Act with respect to such books, records and accounts.

**Section 5.12. Maintenance of System.** The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a

revenue-producing utility as herein provided so long as the Series 1998 Bonds are outstanding.

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

Section 5.14.      Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

## ARTICLE VI

### RATES, ETC.

Section 6.01. Initial Schedule of Rates and Charges; Rules. A. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the Rate Ordinance of the Issuer enacted on May 5, 1997.

B. There shall not be any discrimination or differential in rates between customers in similar circumstances.

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

D. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Issuer or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other Revenues of the System.

E. The Issuer may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

F. The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without payment at the same time of a sewer bill owed by such customer for the same premises.

## ARTICLE VII

### MISCELLANEOUS

Section 7.01.      Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holder of the Series 1998 Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1998 Bonds, 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 Holder of the Series 1998 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Section 7.02.      Modification or Amendment. The Bond Legislation may not be materially modified or amended after final passage without the prior written consent of the Purchaser.

Section 7.03.      Delivery of the Bonds. The Mayor is hereby authorized and directed to cause the Series 1998 Bonds, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 7.04.      Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Series 1998 Bonds.

Section 7.05.      Prior Ordinances; Conflicting Provisions Repealed. The Prior Ordinances and all parts thereof not hereby changed shall continue in full force and effect and this Bond Legislation shall be supplemental to the Prior Ordinances.

All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided that this Section shall not be applicable to the Loan Resolution (Form FmHA 442-47).

Section 7.06.      Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

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

Section 7.08. Effective Time. This Bond Legislation shall take effect following public hearing hereon in accordance with the Act.

Section 7.09. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Bond Legislation, determined by the Governing Body to contain sufficient information as to give notice of the contents hereof, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in *The Glenville Democrat* and *The Glenville Pathfinder*, two newspapers published and of general circulation in the City of Glenville, together with a notice stating that this Bond Legislation has been adopted and that the Issuer contemplates the issuance of the Series 1998 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 the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the Recorder of the Issuer for review by interested parties during regular office hours. At such hearing, all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises.

Passed on First Reading:	September 28, 1998
Passed on Second Reading:	October 5, 1998
Passed on Third Reading following public hearing:	October 19, 1998

Mayor 

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF GLENVILLE on the 19th day of October, 1998, which Ordinance has not been repealed, rescinded, modified, amended or revoked, as witness my hand and the seal of the CITY OF GLENVILLE this 21st day of October, 1998.

[SEAL]

*Cathy Nolan*  
Recorder

10/05/98  
333300/97001



TOWN OF GLENVILLE

\$625,000 Combined Waterworks and Sewerage Revenue Bonds

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TOWN OF GLENVILLE

ORDINANCE AUTHORIZING THE ISSUANCE OF \$625,000 COMBINED WATERWORKS AND SEWERAGE REVENUE BONDS OF THE TOWN OF GLENVILLE, WEST VIRGINIA, TO FINANCE PART OF THE COSTS OF ACQUISITION OF AN EXISTING WATERWORKS AND PART OF THE COSTS OF CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO SUCH WATERWORKS AND THE EXISTING SEWERAGE SYSTEM OF THE TOWN, AND ORDERING COMBINED OPERATION THEREOF; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE REVENUE BONDS; PROVIDING FOR THE FIXING, ESTABLISHING AND COLLECTING OF RATES AND CHARGES FOR THE SERVICES AND FACILITIES OF THE COMBINED SYSTEM; PROVIDING FOR COMPULSORY USE OF THE SEWER FACILITIES; PROVIDING GENERALLY FOR THE RIGHTS, REMEDIES AND SECURITY OF THE HOLDERS OF THE BONDS AND FOR A STATUTORY MORTGAGE LIEN UPON THE COMBINED SYSTEM IN FAVOR OF SUCH HOLDERS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF GLENVILLE, IN GILMER COUNTY, WEST VIRGINIA:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS,  
ORDER FOR COMPULSORY USE OF SEWER FACILITIES  
AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This ordinance is adopted pursuant to the provisions of Article 13, Chapter 8 of the Code of West Virginia, and other applicable provisions of law.

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

(A) (1) The waterworks now furnishing water service to the inhabitants of the Town of Glenville and its environs is owned by West Virginia Water Company.

(2) West Virginia Water Company has agreed to sell said waterworks to the Town of Glenville and said Town has agreed to buy said waterworks at a price of \$200,000 as provided in an agreement heretofore entered into between West Virginia Water Company and the Town dated the 8th day of May, 1963, under which agreement such purchase price is subject to adjustment as therein provided, which agreement is now on file at the office of the Recorder of the Town.

(3) It is necessary and essential for the convenience and welfare of the inhabitants of the Town and in the public interest that such waterworks be so purchased and that the Town thereafter operate such waterworks as hereinafter provided.

(B) The Town of Glenville now owns a sewerage system, and immediately upon acquisition of the said waterworks and thereafter at least until all Bonds hereinafter authorized have been paid in full, said waterworks and said sewerage system shall thereafter be owned, maintained and operated as a Combined Waterworks and Sewerage System and a combined and single undertaking under the provisions of said Article 13, which combined system is herein referred to as the "System".

(C) It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Town of Glenville that there be constructed or acquired additions, extensions and improvements to the said System, generally described as:

- (1) Water facilities: Construction or acquisition of additions, extensions and improvements to the waterworks to be purchased from West Virginia Water Company as above provided;
- (2) Sewer facilities: Construction or acquisition of interceptor sewers, lift stations and treatment facilities and

other additions, extensions and improvements to the existing sewerage system;

and particularly described in and according to the plans and specifications prepared by J. H. Milam, Inc., Consulting Engineers, Dunbar, West Virginia, and heretofore filed in the office of the Town Recorder.

(D) It is necessary for the Town of Glenville to issue its revenue Bonds in the principal amount of \$625,000 to finance part of the costs of the acquisition of such existing waterworks and of construction of said additions, extensions and improvements to the System in the manner hereinafter provided.

(E) The estimated maximum cost of the construction and acquisition hereinabove mentioned is \$646,374 for the sewer facilities, of which \$375,000 will be obtained from the proceeds of the Bonds herein authorized and the balance from the proceeds of a federal grant, and for the water facilities, the sum of \$200,000 for acquisition of said existing waterworks and \$50,000 for additions, extensions and improvements to said waterworks, to be obtained from the proceeds of the Bonds herein authorized, the total overall cost for such construction and acquisition being \$896,374 and the total of the Bond issue being \$625,000.

(F) The cost of such construction shall be deemed to include, without being limited to, the construction or acquisition of said additions, extensions and improvements to the System, the acquisition of any necessary property, real or personal, tangible or intangible, or interest therein, and any other purposes necessary, incidental, desirable or appurtenant to the construction of such additions, extensions and improvements; interest on the Bonds prior to, during and for

six months after completion of such construction to the extent that revenues of the System are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; expenses for financial services and fiscal or other agents in connection with the issuance of the Bonds; and such other expenses as may be necessary or incidental to the construction of such additions, extensions and improvements to the System and the financing authorized by this ordinance.

(G) The period of usefulness of the System after completion of the additions, extensions and improvements thereto as herein provided is not less than forty years.

(H) There are not outstanding any unpaid obligations of the Town which will have priority over or rank on a parity with the Bonds authorized to be issued hereunder.

Section 1.03. Compulsory Connection with Sewer Facilities. It is hereby found and determined that it is necessary, desirable and essential for the protection and preservation of the health, welfare, safety, comfort and convenience of the inhabitants of the Town of Glenville and its environs served by the sewer facilities of the Town as (added to, extended and improved) as herein provided, that every owner, tenant or occupant of premises or property, real or personal, which abuts on a street, alley, road or other public way in which any sewer line, main or facility is located or which is located within 100 feet thereof and from which premises or property sewage or waste matter issues or is produced shall, and every such owner, tenant or occupant is hereby ordered to, connect such premises or property immediately with such sewer facilities and thereafter refrain from using and cease to use any other method for the disposal

of sewage or waste matter, and pay all charges, fees and rates established for the use of such sewer facilities. It is hereby found, determined and declared that any such premises or property not so connected with such sewer facilities is a hazard to the health, safety, comfort and welfare of the inhabitants of the Town and a public nuisance and it is hereby ordered that such public nuisance be abated as promptly as possible by proceedings in the Circuit Court of Gilmer County or other court of competent jurisdiction.

Insofar as permitted under West Virginia law, as from time to time amended, such compulsory use of the sewer facilities shall apply to premises and property outside the limits of the Town abutting on a road, highway or other public way in which any sewer line, main or facility of the Town is located or which is located within 100 feet thereof and which produces sewage or waste matter.

Section 1.04. Ordinance to Constitute Contract. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this ordinance shall be deemed to be and shall constitute a contract between the Town of Glenville, West Virginia, and such Bondholders, and the covenants and agreements herein set forth to be performed by the Town shall be for the equal benefit, protection and security of the legal holders of any and all the Bonds, as herein defined, and the coupons appertaining thereto, all which shall be of equal rank without preference, priority or distinction of any of the Bonds or coupons over any other thereof, except as expressly provided therein and herein.

Section 1.05. Definitions. The following terms shall have the following meanings in this ordinance unless the text otherwise expressly requires:

(1) "Act" shall mean Article 13, Chapter 8 of the Code of West Virginia.

(2) "Bonds" shall mean the \$625,000 Combined Waterworks and Sewerage Revenue Bonds originally authorized to be issued pursuant to this ordinance and shall also be deemed to include, where appropriate, the interest coupons attached to the Bonds; and shall also include any pari passu additional Bonds hereafter issued within the terms, restrictions and conditions contained in this ordinance, and the interest coupons appertaining to such pari passu additional Bonds.

(3) "Consulting Engineer" shall mean J. H. Milam, Inc., Consulting Engineers, Dunbar, West Virginia, or any engineer or firm of engineers which shall at any time hereafter be retained by the Town as Consulting Engineer for the System.

(4) "Facilities" shall mean all the facilities of the System and also any facilities which may hereafter be added to the System by any additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

(5) "Fiscal Year" shall mean each year beginning on July 1 and ending on the succeeding June 30.

(6) "Holder of the Bonds" or "Bondholder" or any similar term shall mean any person who shall be the bearer or owner of any outstanding Bond or Bonds registered to bearer or not registered, or the registered owner of any outstanding Bond or Bonds which shall at the time be registered other than to the bearer or of any coupons representing interest accrued or to accrue on said Bonds.

(7) "Net Revenues" shall mean the balance of the gross revenues, as defined in subsection (10) below, remain-

ing after deduction only of operating expenses, as defined in subsection (8) below.

(8) "Operating Expenses" shall mean the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and shall include, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Town relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting practices.

(9) "Project" shall mean the additions, extensions and improvements to be constructed, acquired and financed in part with the proceeds of the Bonds as in this ordinance provided.

(10) "Revenues" or "gross revenues" shall mean all rates, rents, fees, charges or other income received by the Town, or accrued to the Town, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

(11) "Sewer facilities" or "sewer system" or "sewerage facilities" or "sewerage system" shall mean all parts of every kind and character, real, personal or mixed, appertaining to the collecting, treating and rendering harmless of sewage and waste matters produced in the Town and its environs, both now owned and at any time hereafter acquired or constructed.

(12) "System" shall mean the complete Combined Waterworks and Sewerage System of the Town, including all water and sewerage facilities now and hereafter owned, acquired or con-

structed by the Town, the additions, extensions and improvements to be constructed pursuant to this ordinance, and all facilities and other property of every nature, real, personal or intangible, now or hereafter owned, held or used in connection with the System; and shall also include any and all additions, extensions, improvements, properties or other facilities hereafter at any time acquired or constructed for the System.

(13) "Town" shall mean the Town of Glenville, Gilmer County, West Virginia, and, where appropriate, shall also mean the Town Council thereof.

(14) "Water facilities" or "water system" shall mean all parts of every kind and character, real, personal or mixed, appertaining to the gathering, treating, transmitting and distributing of water to the public by the Town, including said existing waterworks when acquired and any and all additions, extensions, improvements, properties or other facilities hereafter at any time added, acquired or constructed.

(15) Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION,  
REGISTRATION AND ISSUE OF BONDS

Section 2.01. Authorization of Bonds. Subject and pursuant to the provisions of this ordinance, Bonds of the Town, to be known as "Combined Waterworks and Sewerage Revenue Bonds", are hereby authorized to be issued in the aggregate principal amount of not exceeding Six Hundred Twenty-Five Thousand Dollars (\$625,000), for the purposes of acquiring said waterworks from West Virginia Water Company and financing part of the cost of the construction of the Project, all as authorized by this ordinance.

Section 2.02. Description of Bonds. The Bonds shall be dated as of the first day of June, 1963, shall be in the denomination of \$5,000 each, shall be numbered 1 to 125, inclusive, shall bear interest, payable semiannually on June 1 and December 1 of each year, at a rate or rates of not exceeding six per centum (6%) per annum, and the minimum price therefor shall be as provided in the Act. Bonds maturing in the years 1965 to 1973, both inclusive, shall not be redeemable prior to their respective stated dates of maturity. Bonds maturing in the years 1974 to 2003, both inclusive, shall be redeemable prior to their respective stated dates of maturity, at the option of the Town, in whole or in part, but in inverse numerical order if less than all, on June 1, 1973, or on any interest payment date thereafter, at the price of par value thereof and accrued interest to the date of redemption, plus a premium as follows:

One quarter of 1% of the par value thereof for each year or fraction thereof from the date of redemption to the stated date of maturity of the Bonds called for payment, such premium in no event, however, to exceed 3% of the par value of such Bonds.

A notice of the redemption of any of the Bonds shall be published at least once not less than thirty nor more than sixty days prior to the date of redemption in a financial newspaper published in the City of New York, New York. Interest shall cease upon any of the Bonds so called for prior redemption on the redemption date, provided payment in full of the redemption price thereof has been duly made or provided for.

The Bonds shall mature serially in numerical order, lowest numbers first, on the first day of June of each year, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1965	\$ 5,000	1984	\$15,000
1966	5,000	1985	15,000
1967	5,000	1986	15,000
1968	5,000	1987	15,000
1969	10,000	1988	15,000
1970	10,000	1989	15,000
1971	10,000	1990	20,000
1972	10,000	1991	20,000
1973	10,000	1992	20,000
1974	10,000	1993	20,000
1975	10,000	1994	20,000
1976	10,000	1995	25,000
1977	10,000	1996	25,000
1978	10,000	1997	25,000
1979	10,000	1998	25,000
1980	10,000	1999	25,000
1981	10,000	2000	30,000
1982	15,000	2001	30,000
1983	15,000	2002	35,000
		2003	35,000

The Bonds shall be issued in coupon form, shall be payable with respect to both principal and interest in lawful money of the United States of America at the office of the State Sinking Fund Commission, Charleston, West Virginia, or at First National City Bank, City and State of New York

at the option of the holder, and shall bear interest from their date, payable in accordance with and upon the surrender of the appurtenant interest coupons as they severally mature.

Section 2.03. Execution of Bonds and Coupons.

The Bonds shall be executed in the name of the Town by its Mayor and its corporate seal shall be affixed thereto and attested by its 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 Town before the Bonds so signed and sealed shall 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 Bond may be signed and sealed on behalf of the Town by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Town, although at the date of such Bond such person may not have held such office or may not have been so authorized.

The coupons to be attached to the Bonds shall be authenticated with the facsimile signatures of the present or any future Mayor and Recorder of the Town, and the Town may adopt and use for that purpose the facsimile signature of any person who shall have been such Mayor or Recorder at any time on or after the date of the Bonds, notwithstanding that he may have ceased to be such Mayor or Recorder at the time when said Bonds shall be actually sold and delivered.

Section 2.04. Negotiability and Registration.

The Bonds shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the

Negotiable Instruments Law of the State of West Virginia, and shall pass by delivery except when registered as hereinafter provided.

The Bonds may be registered at the option of the holder as to principal only in the Bond Register of the Treasurer of the State of West Virginia, Charleston, West Virginia, such registration to be noted on the Bonds in the space provided therefor and thereafter no transfer of any Bond so registered shall be valid unless made at said office by the registered owner, or by his duly authorized agent or representative, and similarly noted on such Bond, but any Bond may be discharged from registration by being in like manner transferred to bearer and, thereupon, transferability by delivery shall be restored. At the option of the holder any such Bond may thereafter again from time to time be registered or transferred to bearer as before. Such registration shall not affect the negotiability of the coupons which shall continue to pass by delivery.

Section 2.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Town may in its discretion issue and deliver a new Bond with all unmatured coupons attached of like tenor as the Bond and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond and attached coupons, if any, or in lieu of and substitution for the Bond and attached coupons, if any, destroyed, stolen or lost, and upon the holder's furnishing the Town proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable

regulations and conditions as the Town may prescribe and paying such expenses as the Town may incur. All Bonds and coupons so surrendered shall be canceled by the Recorder and held for the account of the Town. If any such Bond or coupon shall have matured or be about to mature, instead of issuing a substitute Bond or coupon, the Town may pay the same, upon being indemnified as aforesaid, and, if such Bond or coupon be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds and coupons issued pursuant to this Section 2.05 shall constitute original, additional contractual obligations on the part of the Town, whether or not the lost, stolen or destroyed Bonds or coupons be at any time found by anyone, and such duplicate Bonds and coupons shall be entitled to equal and proportionate benefits with all other Bonds and coupons issued hereunder.

Section 2.06. Bonds Not to be Indebtedness of the Town. Neither the Bonds nor coupons shall, in any event, be or constitute an indebtedness of the Town, but shall be payable solely from the revenues derived from the operation of the System as herein provided. No holder or holders of any of the Bonds shall ever have the right to compel the exercise of the taxing power of the Town to pay the Bonds or the interest thereon.

Section 2.07. Bonds Secured by Pledge of Revenues. The payment of the debt service of all the Bonds shall be secured forthwith equally and ratably by a first lien on the revenues derived from the System and by the statutory mortgage lien on the System hereinafter provided for. The revenues derived from the System in an amount sufficient to pay the principal of and interest on the Bonds, and to make the

payments into the Sinking Fund hereinafter provided for, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 2.08. Form of Bonds and Coupons. Subject to the provisions of this ordinance, the text of the Bonds, the provision for registration to be endorsed thereon and the coupons shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted by this ordinance or any subsequent ordinance or resolution adopted prior to the issuance of the Bonds:

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
COUNTY OF GILMER  
TOWN OF GLENVILLE  
COMBINED WATERWORKS AND SEWERAGE REVENUE BOND

No.

\$5,000

The Town of Glenville, in the County of Gilmer, State of West Virginia, a municipal corporation created and existing under the laws of the State of West Virginia, for value received, hereby promises to pay to the bearer, or, if this Bond be registered, to the registered holder as herein provided, on the first day of June, 19 , from the revenues hereinafter mentioned, the principal sum of

FIVE THOUSAND DOLLARS

with interest thereon at the rate of per centum ( %) per annum, payable semiannually on the first day of June and the first day of December of each year upon the presentation and surrender of the annexed coupons as they severally fall due. Both principal of and interest on this Bond are payable in lawful money of the United States of America at the office of the State Sinking Fund Commission, Charleston, West Virginia, or, at the option of the holder, at First National City Bank, New York, New York.

The Bonds of the issue of which this Bond is one maturing in the years 1965 to 1973, both inclusive, are not redeemable prior to their stated dates of maturity. The Bonds of the issue of which this Bond is one maturing in the years 1974 to 2003, both inclusive, are redeemable prior to their stated dates of maturity, at the option of the Town, in whole or in part, but in inverse numerical order if less than all,

on June 1, 1973 , or on any interest payment date thereafter, at the price of par and accrued interest to date of redemption, plus a premium of one-quarter of one per cent of the par value thereof for each year or fraction thereof from the date of redemption to the stated date of maturity of the Bonds called for payment, such premium in no event, however, to exceed 3% of the par value thereof; provided, however, that a notice of such redemption shall have been published at least once not less than thirty nor more than sixty days prior to the redemption date in a newspaper published in the City of New York, New York. Interest shall cease upon this Bond after the redemption date if it shall be duly called for prior redemption and payment in full of the redemption price shall have been duly provided for.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of Six Hundred Twenty-Five Thousand Dollars (\$625,000) of like date, tenor and effect, except as to number and date of maturity, issued to finance part of the costs of acquiring an existing waterworks serving the Town of Glenville and the construction and acquisition of additions, extensions and improvements to the Combined Waterworks and Sewerage System of such Town under the authority of and in full compliance with the Constitution and Statutes of the State of West Virginia, including particularly Article 13, Chapter 8 of the Code of West Virginia (herein called the "Act") and other applicable statutes, and an ordinance duly adopted by the Council of said Town.

This Bond and the coupons appertaining hereto are payable solely from, and secured by a lien upon and pledge of, the revenues derived from the operation of said Combined Waterworks and Sewerage System of said Town, with monthly payments from such revenues to be made into the Sinking Fund with the State Sinking Fund Commission for payment of the prin-

cipal hereof and interest hereon, in the manner provided in said ordinance, and do not and shall not in any event constitute an indebtedness of the Town within the meaning of any constitutional, statutory or charter provisions or limitations, and the Town shall not be obligated to pay this Bond or the interest thereon except from the revenues of said Combined Waterworks and Sewerage System, as provided in said ordinance. Neither the credit nor the taxing power of the Town shall be deemed to be pledged to, nor shall a tax ever be levied for, the payment of the principal of or interest on this Bond. The Town covenants with the holders of the Bonds of the issue of which this Bond is one to establish and at all times maintain such rates and collect such charges for the services and facilities of said Combined Waterworks and Sewerage System, and to revise the same from time to time, whenever necessary, as will always provide revenues in each fiscal year sufficient to pay at least one hundred thirty per centum of the amount of principal and interest on said Bonds maturing and becoming due in such fiscal year and one hundred per centum of the necessary expenses of operating and maintaining the said Combined Waterworks and Sewerage System during such fiscal year and all other obligations payable out of said revenues and payments required by said ordinance out of said revenues during such fiscal year, and said Town has entered into certain other covenants with the holders of the Bonds of the issue of which this Bond is one, for the terms of which reference is made to said ordinance.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State

of West Virginia applicable thereto, and that the issuance of this Bond, and of the issue of Bonds of which this Bond is one, is not in violation of any constitutional, statutory or charter limitation of indebtedness.

This Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Negotiable Instruments Law of the State of West Virginia.

This Bond may be registered as to principal only in accordance with the provisions endorsed hereon.

This Bond and the interest hereon are exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

IN WITNESS WHEREOF, the Town of Glenville has caused this Bond to be signed by its Mayor and its corporate seal to be affixed hereto and attested by its Recorder, and the annexed interest coupons to be executed with the facsimile signatures of said Mayor and said Recorder, all as of the first day of June, 1963.

TOWN OF GLENVILLE, WEST VIRGINIA

ATTEST:

By \_\_\_\_\_  
Mayor

(SEAL)

\_\_\_\_\_  
Recorder

(Form of Coupon)

No.

\$

On the first day of \_\_\_\_\_, 19\_\_\_\_, the Town of Glenville, West Virginia, will pay to the bearer\* at the office of the State Sinking Fund Commission, Charleston, West Virginia, or, at the option of the holder, at First National City Bank, New York, New York, solely from the revenues described in the Bond to which this coupon is attached, the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) in lawful money of the United States of America, upon presentation and surrender of this coupon, being six months' interest then due on its Combined Waterworks and Sewerage Revenue Bond, dated June 1, 1963, No. \_\_\_\_\_.

TOWN OF GLENVILLE, WEST VIRGINIA

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Recorder

(\* "unless the Bond to which this coupon was originally attached shall have been duly called for prior redemption and payment of the redemption price duly made or provided for" shall appear on December 1, 1973, and subsequent coupons on Bonds maturing in 1974 to 2003, inclusive.)

PROVISION FOR REGISTRATION

This Bond may be registered in the name of the holder as to principal only on books kept by the Treasurer of the State of West Virginia, such registration being noted hereon in the registration blank below, after which no transfer shall be valid unless made on said books by the registered holder or his agent or representative duly authorized, and similarly noted in said registration blank below, but it may be discharged from registration by being transferred to bearer, after which it shall be transferable by delivery. At the option of the holder, this Bond shall again be subject to successive registrations and transfers as before. The principal of this Bond, if registered, shall be payable only to the registered owner or his legal representative. Notwithstanding the registration of this Bond, the coupons shall remain payable to bearer and shall continue to be transferable by delivery merely.

(No writing on this Bond except by the Treasurer of the State of West Virginia as Registrar.)

<u>Date of</u> <u>Registration</u>	<u>In Whose</u> <u>Name Registered</u>	<u>Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

ARTICLE III

BOND PROCEEDS; REVENUES AND  
APPLICATION THEREOF

Section 3.01. Disposition of Bond Proceeds. All moneys received from the sale of any or all the Bonds and the proceeds of the aforesaid federal grant shall be deposited by the Town in a special fund in a bank or trust company in the State of West Virginia which is eligible under the State laws to receive deposits of State and municipal funds, which fund is hereby created and designated as the "Construction Trust Fund". The moneys in said fund shall be secured at all times by the deposit by said bank or trust company of direct obligations of the United States of America having a market value at least equal to the amount of moneys in said fund in excess of \$10,000. Moneys in said fund shall be expended by the Town solely for the purposes provided in this ordinance. Until six months after the completion of the construction of the Project authorized by this ordinance, sufficient moneys shall be transferred from the Construction Trust Fund to the Sinking Fund to pay maturing interest on the Bonds to the extent that revenues are insufficient therefor. The moneys in the Construction Trust Fund shall be used only for the purposes of paying the costs of acquiring the aforesaid existing waterworks as herein provided and of construction of the Project, and no expenditures shall be made from the Construction Trust Fund, except for engineering and legal expenses, the cost of the issuance of the Bonds and the agreed purchase price for said waterworks, without the written approval of the Consulting Engineer. Such agreed purchase price shall be paid to said West Virginia Water Company upon delivery to the Town of title of said waterworks. Any moneys in the Construction Trust Fund not immediately needed for said purposes may, with the approval

of the Consulting Engineer, be invested in direct obligations of the United States of America having a maturity of not more than one year. Any balance in the Construction Trust Fund after payment for said waterworks and the completion of the Project shall be used only for the purchase of Bonds of the last maturities then outstanding at not more than par and accrued interest, or for deposit into the Reserve Account in the Sinking Fund hereafter created.

Section 3.02. Covenants of the Town as to Revenues and Funds. So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Sinking Fund and Reserve Account therein, hereinafter established, a sum sufficient to pay, when due, the entire principal of the Bonds remaining unpaid together with interest accrued and to accrue thereon, the Town covenants with the holders of any and all Bonds issued pursuant to this ordinance, as follows:

(A) Combined System Revenue Fund. The entire gross revenues derived from the operation of the System, and all parts thereof, shall be deposited as collected by the Town in a special fund in a bank or trust company in the State of West Virginia which is a member of the Federal Reserve System, which Fund (herein called the "Revenue Fund") is hereby established. The Revenue Fund shall constitute a trust fund for the purposes provided in this ordinance and shall be kept separate and distinct from all other funds of the Town and used only for the purposes and in the manner provided in this ordinance.

(B) Disposition of Revenues. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Town shall first, before the end of each month, transfer from the Revenue Fund and remit to the State Sinking Fund Commission, for deposit into the "Sinking Fund", which is hereby established, one-sixth of the amount required to pay the interest which will mature and become due on the next interest payment date; and beginning with the month of June , 1964 , the Town shall also monthly transfer from the Revenue Fund and remit to the State Sinking Fund Commission for deposit into the Sinking Fund, one-twelfth of the amount required to pay the principal which will mature and become due on the next succeeding June 1, which payments for principal and interest required to be remitted to the State Sinking Fund Commission in each May and November shall be so remitted not later than each May 15 and November 15.

The Town shall also, from the Revenue Fund, remit to the State Sinking Fund Commission, at such times as the State Sinking Fund Commission shall require, such additional sums as shall be necessary to pay the fiscal charges due for paying the Bonds and the interest thereon.

The State Sinking Fund Commission is hereby designated as the Fiscal Agent for the administration of the Sinking Fund created hereunder, and all amounts required for said Sinking Fund shall be remitted to the State Sinking Fund Commission from said Revenue Fund by the Town at the times provided herein.

Moneys in the Sinking Fund shall be used only for the purpose of paying principal of and interest on the Bonds as the same shall become due.

The Town shall next, from the Revenue Fund, remit each month to the State Sinking Fund Commission, for deposit in a Reserve Account hereby established in the Sinking Fund, an amount equal to 20 % of all amounts required to be paid

for maturing principal and interest into said Sinking Fund, as provided above; provided, however, that no further payments need be made into the Reserve Account when there shall have been deposited therein, and so long as there shall remain on deposit therein, an amount equal to the largest amount of principal and interest which will mature and become due on the Bonds in any succeeding year.

Moneys in the Reserve Account shall be used only for the purpose of the payment of maturing principal of or interest on the Bonds when other moneys in the Sinking Fund are insufficient therefor, and for no other purpose. Any moneys withdrawn from the Reserve Account for the payment of principal of and interest on the Bonds shall be restored thereto from the first revenues available after the payment of all sums required for principal of and interest on the Bonds.

(2) The Town shall next each month pay from the moneys in the Revenue Fund all current Operating Expenses of the System, as defined in Section 1.05 (8) hereof.

(3) Thereafter, from the revenues remaining in said Revenue Fund, the Town shall each month pay into a fund to be known as the "Depreciation Account", which is hereby established, a sum equal to not less than six per centum

(6%) of the gross revenues derived from the operation of the System during the preceding month, which sum is hereby found to be adequate and appropriate for such purpose. The moneys in the Depreciation Account shall be used only for the replacement of capital assets of the System or as otherwise provided in subsection 5 of this Section 3.02. (B).

The Depreciation Account shall be deposited in and maintained with a bank or trust company in the State of

West Virginia which is a member of the Federal Reserve System. The moneys in the Depreciation Account may, in the discretion of the Town, be invested and reinvested in direct obligations of the United States of America.

(4) If all the above-required payments are then current, the Town may retain as working capital an amount not more than one-sixth of the sum shown in its budget for the current year for Operating Expenses, and shall transfer the balance in the Revenue Fund either to the Depreciation Account or to the Sinking Fund, in its discretion.

(5) If the Town finds and determines by resolution, concurred in by certificate in writing signed by the Consulting Engineer, that any part of the moneys in the Depreciation Account are not needed for the purposes of the Depreciation Account during the current fiscal year and the next ensuing fiscal year, the Town may transfer such surplus moneys to the Sinking Fund.

The Town may, in its discretion, direct the State Sinking Fund Commission to use any surplus moneys in the Sinking Fund for the purchase, or redemption if such Bonds are then callable, of any outstanding Bonds, at prices for the noncallable Bonds not greater than the then market price of such Bonds, and at not greater than the then redemption price for callable Bonds.

All the funds provided for in this Section 3.02 shall constitute trust funds and shall be used only for the purposes and in the order provided herein. The moneys in excess of the sum of \$10,000 in the Revenue Fund and the Depreciation Account shall at all times be secured, to the full extent thereof in excess of the sum of \$10,000, by direct obligations of the United States of America, or such other obligations as shall be eligible as security for deposits of State and municipal funds under the laws of the State of West Virginia.

If on any payment date the revenues are insuffi-

cient to place the required amount in any of the funds as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds on the subsequent payment dates.

#### ARTICLE IV

##### GENERAL COVENANTS OF THE TOWN

Section 4.01. General Statement. So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Sinking Fund a sum sufficient to pay when due, or redeem prior to maturity, the entire principal of the Bonds remaining unpaid, together with interest accrued and to accrue thereon, the covenants and agreements contained in this Article IV, and in this ordinance, shall be and constitute valid and legally binding covenants between the Town and the holders from time to time of the Bonds and the interest coupons appertaining thereto.

Section 4.02. Rates. The Town will, in the manner provided in the Act, fix such rates and collect such rentals, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide revenues in each fiscal year sufficient to pay at least one hundred thirty per centum (130%) of the amount of the principal of and interest on the Bonds maturing and becoming due in such fiscal year, and one hundred per centum (100%) of the necessary expenses of operating and maintaining the System during such fiscal year and all other obligations and indebtedness payable out of the revenues of the System and payments required in this ordinance to be made out of said revenues during such fiscal year, and such rates, fees, rentals and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System may be sold, mortgaged, leased, or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient fully to pay or redeem at or prior to maturity all the Bonds. The proceeds from such sale, mortgage, lease or other disposition of the System shall immediately be remitted to the State Sinking Fund Commission and the Town shall direct said Commission to apply such proceeds to the payment of principal and interest at maturity of Bonds when due, or the redemption prior to maturity, at the redemption price, of all outstanding Bonds. Any balance remaining after the redemption or payment of all the Bonds and interest thereon shall be remitted to the Town by said State Sinking Fund Commission unless necessary for the payment of other obligations issued by the Town and payable out of the revenues of the System.

The foregoing provision notwithstanding, the Town shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereafter 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 said property, if the amount to be received therefor is not in excess of Ten Thousand Dollars (\$10,000), the general manager or other duly authorized officer in charge of the System shall make a finding in writing determining that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and such proceeds shall be deposited in the Depreciation Account and used only as provided herein for such fund. If the amount

to be received from such sale, lease or other disposition of said property shall be in excess of Ten Thousand Dollars (\$10,000) but not in excess of Fifty Thousand Dollars (\$50,000), the general manager or other duly authorized officer in charge of the System shall first make a finding in writing, which shall be approved by the Consulting Engineer, determining that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the governing body of the Town shall, by resolution duly adopted, approve and concur in the finding of the general manager or other duly authorized officer, and authorize such sale, lease or other disposition of said property. The proceeds derived from any such sale, lease or other disposition of said property, in excess of Ten Thousand Dollars (\$10,000) and not in excess of Fifty Thousand Dollars (\$50,000) shall be remitted by the Town to the State Sinking Fund Commission for deposit in the Sinking Fund and shall be applied only to the redemption of Bonds of the last maturities then outstanding or to the purchase of Bonds of the last maturities then outstanding at prices not greater than the redemption price of such Bonds. Such payments of such proceeds into the Sinking Fund or the Depreciation Account shall not reduce the amounts required to be paid into said Funds by other provisions of this ordinance.

No sale, lease or other disposition of the properties of the System shall be made by the Town if the proceeds to be derived therefrom shall be in excess of Fifty Thousand Dollars (\$50,000) and insufficient to pay or redeem prior to maturity all of the principal of Bonds then outstanding and all interest thereon to their respective dates of redemption

or maturity, without the prior approval and consent in writing of the holders or their duly authorized representatives of at least two-thirds in amount of Bonds then outstanding. The Town shall prepare the form of such approval and consent for execution by the Bondholders, or their duly authorized representatives, which form shall provide for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 4.04. Covenant Against Encumbrances. The Town shall not issue any obligations whatsoever, except pari passu additional Bonds hereinafter provided for, payable from the revenues of the System which rank prior to or equally as to lien on and source and security for payment from such revenues with the Bonds; and all obligations hereafter issued by the Town payable from the revenues of the System, except such pari passu additional Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source and security for payment from such revenues and in all other respects, to the Bonds.

The Town shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge, having priority to 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 as security therefor in this ordinance, or upon the System, or any part thereof.

Section 4.05. Issuance of Pari Passu Additional Bonds. No pari passu additional Bonds, as in this Section defined, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant to this ordinance, except under the conditions and in the manner herein provided.

No such pari passu additional Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, additions and improvements to the System.

No such pari passu additional Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Recorder a written certification by a certified public accountant not in the regular employ of the Town, based upon the necessary investigation, reciting the conclusion that the net revenues, as defined herein and adjusted as provided below, actually derived from the System during the twelve consecutive months immediately preceding the date of the issuance of such pari passu additional Bonds, shall have been not less than one hundred thirty-five percentum (135 %) of the largest aggregate amount which will mature and become due in any succeeding calendar year for principal of and interest on the Bonds originally issued pursuant to this ordinance then outstanding, and on any pari passu additional Bonds theretofore issued pursuant to the provisions contained in this ordinance then outstanding, and on the pari passu additional Bonds then proposed to be issued.

The net revenues actually derived from the System during the twelve consecutive months immediately preceding the date of the issuance of such pari passu additional Bonds may, for the purposes of this Section 4.05, be adjusted by adding to such net revenues any additional net revenues which would have been derived during such twelve months if the rates, fees or other charges for the services

of the System or any part thereof were increased during such twelve months, such addition to be in the amount that such actual net revenues would have been increased if such increased rates, fees or other charges had been in effect during all such twelve months.

Prior to the issuance of any such pari passu additional Bonds, the Town shall have entered into written contracts for the immediate acquisition or construction of such additions, extensions or improvements to the System which are to be financed by such pari passu additional Bonds.

The term "pari passu additional Bonds", as used in this Section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this Section, payable from the revenues of the System pari passu with Bonds originally authorized and issued pursuant to this ordinance, and all the covenants and other provisions of this ordinance (except as to details of such pari passu additional Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the holders of any Bonds originally authorized and issued pursuant to this ordinance and the holders of any pari passu additional Bonds subsequently issued within the limitations of and in compliance with this Section. All such Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System, and their source and security for payment from said revenues, without preference of any Bond or coupon over any other. The Town shall comply fully with all the increased payments into the various funds created in this ordinance required for such pari passu additional Bonds, in addition to the payments required for Bonds originally issued pursuant to this ordinance.

All pari passu additional Bonds issued pursuant to this Section shall be dated June 1 and shall all mature serially on June 1 of each year of maturity, and the semiannual interest thereon shall be payable June 1 and December 1 of each year.

The term "pari passu additional Bonds" as used in this Section shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien on such revenues of the Bonds issued pursuant to this ordinance, and the Town shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank equally as to lien on and source and security for payment from such revenues with Bonds issued pursuant to this ordinance, except in the manner and under the conditions provided in this Section.

No pari passu additional Bonds, as in this Section defined, shall be created at any time, however, unless all the payments into the respective Funds provided for in this ordinance on Bonds then outstanding and all other payments provided for in this ordinance shall have been made in full to the date of issuance of pari passu additional Bonds and the Town shall have fully complied with all the covenants, agreements and terms of this ordinance.

Section 4.06. Insurance. The Town will carry such insurance as is ordinarily carried by private corporations owning and operating similar utilities as the System with a reputable insurance carrier or carriers against loss or damage by fire, explosion, hurricane, earthquake, cyclone, oc-

cupancy or other hazards and risks, which insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System; provided, however, that a lesser amount of a particular kind of insurance on specified properties may be carried if certified in writing as adequate by the Consulting Engineer. In time of war, the Town shall also carry in said amount, or such lesser amount if coverage in said full amount be not available, such insurance as may be available against loss or damage by the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Depreciation Account and used only for the repair and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Depreciation Account.

Section 4.07. Books and Records. The Town will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Town, in which complete and correct entries shall be made of all transactions relating to the System, and any holder of a Bond or Bonds, his agents and representatives, shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Town relating thereto.

The Town shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of public accountants, and shall make available the report of said accountants at all reasonable times to any holder or holders of the Bonds, any taxpayer or inhabitant of the Town, or any person receiving services from the System, or anyone acting for and in behalf of said taxpayer, citizen or Bondholder or Bondholders.

Section 4.08. Maintenance of System. The Town will maintain the System in good condition and repair and continuously operate the same in an efficient manner and at a reasonable cost.

Section 4.09. Statutory Mortgage Lien Created. The holders of the Bonds and coupons appertaining thereto shall have a statutory mortgage lien upon said System pursuant to the provisions of the Act, which statutory mortgage lien shall exist in favor of and shall be enforceable in any lawful manner by the holders of the Bonds, and each of them, and to and in favor of the holders of the coupons, and the System shall remain subject to such statutory mortgage lien until payment in full of the principal and interest on the Bonds. Said statutory mortgage lien shall be a first lien on the System, and the Town shall not place or permit any other lien or encumbrance thereon or any part thereof.

Section 4.10. Services Rendered to the Town. The Town 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 Town or any department, agency, instrumentality, officer or employee thereof 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 Town, and any such department, agency, instrumentality, officer or employee thereof. Such charges shall be paid as they accrue, and the Town shall transfer from its general funds sufficient sums to pay such charges incurred by it. 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.

The Town covenants and agrees that it will, prior to the end of each fiscal year, transfer from its general funds and pay into the Revenue Fund the sum of \$80.00 as a fire hydrant rental for each fire hydrant in the Town connected with the water facilities of the System. Such payments shall constitute revenues of the System and shall be treated and applied as all other revenues thereof.

Section 4.11. Operating Budget. The Town shall annually, at least forty-five days preceding the beginning of each fiscal year, prepare and adopt by resolution of its governing body a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year. No expenditures for the operation and maintenance of the System shall be made in any fiscal year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the general manager of the System or other duly authorized officer in charge thereof, 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 governing body of the Town shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of ten per centum (10%) of the amount

of such budget shall be made except upon the further certificate of the Consulting Engineer that such increased expenditures are necessary for the continued operation of the System. The Town shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to any holder or holders of Bonds who shall file his address with the Town and request in writing that copies of all such budgets and resolutions be furnished him or them, 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 or holders of Bonds or anyone acting for and in behalf of such Bondholder or Bondholders.

Section 4.12. Remedies and Appointment of Receiver.

Any holder or holders of the Bonds or the coupons appertaining thereto may, by proper action, either at law or in equity, compel the performance of the duties of the Town under this ordinance and the Act. If there be default in the payment of principal or interest upon any of the Bonds or coupons appertaining thereto or in the performance of any covenant contained in this ordinance and such default shall continue for a period of sixty days, any holder or holders of the Bonds or such coupons shall, in addition to all other remedies or rights, have the right by appropriate proceedings at law or in equity, to obtain the appointment of a receiver to administer the System on behalf of the Town, with power to charge rates, rentals, fees or other charges sufficient to provide for the payment of the Bonds and the interest thereon and for the payment of operating expenses, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this ordinance and the Act.

Section 4.13. Enforcement of Collections. The Town 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 Charter of the Town, ordinances of the Town, and other laws of the State of West Virginia.

The Town further covenants and agrees that it will, to the full extent permitted by law, under reasonable rules and regulations, discontinue and shut off the services and facilities of the System, and all parts thereof, for nonpayment of the fees, rentals or other charges for the services and facilities of the System, or any part thereof, and will not restore any of the services and facilities of the System, or any part thereof, until all delinquent charges for the services and facilities of all parts of the System, plus reasonable penalties and charges for the restoration of service, have been fully paid.

Section 4.14. No Competing Franchise. The Town 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 services provided by the System to or within the Town.

Section 4.15. Consulting Engineer. The Town will retain the Consulting Engineer hereinabove designated or other qualified and recognized independent engineers, on an annual basis to supervise generally the operation, maintenance and renewal of the System.

ARTICLE V

RATES AND LIEN FOR CHARGES

Section 5.01. Minimum Rates Established. The following schedule of fees, rentals and rates to be charged for the water and sewer services and facilities of the System are hereby fixed and determined, as follows:

A. Water Rates

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service.

RATE

First	1,000 gals. per month	\$2.30 per 1,000 gals.
Next	4,000 gals. per month	1.05 per 1,000 gals.
Next	5,000 gals. per month	.85 per 1,000 gals.
Next	15,000 gals. per month	.71 per 1,000 gals.
Next	75,000 gals. per month	.50 per 1,000 gals.
Next	400,000 gals. per month	.44 per 1,000 gals.
All over	500,000 gals. per month	.36 per 1,000 gals.

MINIMUM CHARGE

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

5/8 inch meter or less	\$ 2.30 per month
3/4 inch meter	3.45 per month
1 inch meter	6.15 per month
1-1/4 inch meter	9.60 per month
1-1/2 inch meter	13.80 per month
2 inch meter	24.60 per month
3 inch meter	55.30 per month
4 inch meter	98.30 per month
6 inch meter	221.20 per month

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full within ten (10) days of date of bill, ten per cent (10%) will be added to the net amount shown.

B. Sewer Rates

Charges for sewer services and facilities shall be 100% of billings for water services under the above water rate schedule.

CONNECTION FEE

The minimum connection fee for a building or premises shall be \$25, but no connection fee shall be charged for any building or premises now connected with the sewer facilities.

DELAYED PAYMENT PENALTY

On accounts not paid in full within ten days of date of bill, ten per cent (10%) will be added to the amount billed for sewer services.

Section 5.02. Lien for Delinquent Charges. The Town shall have a lien on all lands, buildings and premises served by the System for all charges for the services and facilities thereof, and the Town covenants that it will diligently enforce such liens against all lands, buildings and premises where charges are delinquent for such services or facilities, in addition to discontinuing service to such lands, buildings or premises for such delinquent charges as provided in Section 4.13.

ARTICLE VI  
MISCELLANEOUS

Section 6.01. Modification or Amendment. No material modification or amendment of this ordinance or of any ordinance or resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of the holders of two-thirds or more in principal amount of the Bonds then outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation, or affecting the unconditional promise of the Town to pay the principal of and interest on the Bonds as the same shall become due from the revenues of the System, without the consent of the holders of such Bonds. Notwithstanding the above, no amendment or modification shall be made which would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications.

Section 6.02. Management of Combined System. The Town, subject to the provisions of its Charter, the Act and other applicable statutes, shall manage, operate, maintain and control the System; provided, however, that the Town hereby reserves the right to transfer such management, operation, maintenance and control of the System, or any part thereof, to such department, board, agency or instrumentality of the Town as it may lawfully create or establish for such purpose, and upon any such transfer such department, board, agency or instrumentality shall assume the management, operation, maintenance and control of the System, or such part thereof as may be so transferred, and shall comply fully with all of the provisions of this ordinance and covenants and agreements contained herein.

Section 6.03. Severability of Invalid Provision.

If any one or more of the covenants, agreements or provisions of this ordinance, or parts thereof, should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then only such covenants, agreements or provisions or parts thereof shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and parts, and shall in no way affect the validity of all the other provisions and parts of this ordinance or the Bonds or coupons appertaining thereto.

Section 6.04. Conflicting Provisions Repealed.

All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this ordinance, are, to the extent of such conflicts, hereby repealed.

Section 6.05. Effective Time.

This ordinance shall take effect at the time and in the manner provided in the Act and the Charter of the Town as the same may be applicable.

Section 6.06. Statutory Notice.

Upon adoption and approval of this ordinance, the Recorder is hereby authorized and directed to publish this ordinance once in a newspaper published and having a general circulation in the Town. If no petition is filed with the Recorder within ten days after publication as provided in the Act, upon expiration of such ten-day period, this ordinance shall be in full force and effect.

Section 6.07. Table of Contents and Headings.

The Table of Contents and headings of the Articles, Sections and subsections hereof are for convenience only and shall neither

control nor affect in any way the meaning or construction of  
any of the provisions hereof.

Passed and approved  
August 5, 1963

---

Mayor

Attest:

---

Recorder

TOWN OF GLENVILLE

\$325,000 Combined Waterworks and Sewerage System  
Revenue Bonds, Series 1972

BOND ORDINANCE

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TOWN OF GLENVILLE

ORDINANCE AUTHORIZING THE ISSUANCE OF \$325,000 COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1972, OF THE TOWN OF GLENVILLE TO FINANCE THE COSTS OF ACQUISITION AND CONSTRUCTION OF ADDITIONS TO THE COMBINED SYSTEM OF THE TOWN; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING FOR THE FIXING, ESTABLISHING AND COLLECTING OF RATES AND CHARGES FOR THE SERVICES AND FACILITIES OF SUCH SYSTEM; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITIES OF THE HOLDERS OF THE BONDS AND FOR A STATUTORY MORTGAGE LIEN UPON THE WATERWORKS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE TOWN OF GLENVILLE:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of Article 20, Chapter 8 of the West Virginia Code and other applicable provisions of law.

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

(A) The Town of Glenville (herein called the "Town"), in the County of Gilmer, State of West Virginia, now owns a combined waterworks and sewerage system (herein called the "System"). Extensions and improvements to the System are urgently needed.

(B) It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants and the Town and persons in the service area of the System, and, accordingly, it is hereby ordered, that

there be constructed additions and extensions to and improvements of the System, consisting generally of improvements to the water treatment plant, two new steel water storage tanks and new water distribution lines, extension of sewer lines to new industrial park and replacement of four existing lift stations, with all necessary appurtenant facilities (herein collectively called the "Project"), particularly described in and according to the plans and specifications prepared by J. H. Milam, Inc., Consulting Engineers, of Dunbar, West Virginia (herein called the "Consulting Engineer"), and heretofore filed in the office of the Recorder.

(C) It is necessary for the Town to issue its revenue bonds in the principal amount of not to exceed \$325,000 to finance the costs of acquisition and construction of the Project in the manner hereinafter provided.

(D) The estimated maximum cost of the construction of the Project is \$ 778,600 , of which \$325,000 will be obtained from the proceeds of sale of the Bonds herein authorized and \$453,600 from a grant by Economic Development Administration.

(E) The cost of such construction shall be deemed to include, without being limited to, the construction and acquisition of the Project; the acquisition of any necessary property, real or personal, or interest therein; interest on the 1972 Bonds during and for six months after the estimated completion of such construction to the extent that revenues of the System are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the construction and acquisition of the Project and the financing authorized hereby.

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

(G) There are outstanding the Combined Waterworks and Sewerage Revenue Bonds of the Town dated as of the first day of June, 1963 (herein called the "1963 Bonds") originally issued in the principal amount of \$625,000, the last maturity of which is June 1, 2003. The 1963 Bonds are senior and superior to the 1972 Bonds in all respects and the 1972 Bonds shall be junior and subordinate to the 1963 Bonds as to lien and source of and security for payment and as to pledge of revenues and in all other respects.

(h) By ordinance enacted August 5, 1963 (herein called the "1963 Ordinance"), the Town combined its sewerage system and its waterworks into a combined waterworks and sewerage system pursuant to Article 20 (then Article 13) of Chapter 8 of the West Virginia Code, in connection with issuance of the 1963 Bonds.

Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the Town and such Bondholders, and the covenants and agreements herein set forth to be performed by the Town shall be for the equal benefit, protection and security of the legal holders of any and all such Bonds, and the coupons appertaining thereto, all which shall be of equal rank without preference, priority or distinction of any of the Bonds or coupons over any other thereof, except as expressly provided therein and herein.

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

"Act" means Article 20, Chapter 8 of the West Virginia Code.

"Bonds" means the \$325,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, originally authorized to be issued pursuant to this Ordinance and shall also be deemed to include, where appropriate, the interest coupons attached to the 1972 Bonds; and also includes any additional Bonds hereafter issued on a parity with the 1972 Bonds within the terms, restrictions and conditions contained in this Ordinance, and the interest coupons appertaining to such additional parity Bonds.

"1963 Bonds" means the bonds described in Section 1.02 (G) above and the interest coupons appertaining thereto.

"1972 Bonds" means the Bonds hereby authorized to be issued initially and the interest coupons appertaining thereto.

"Consulting Engineer" means J. H. Milam, Inc., Consulting Engineers, Dunbar, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Town as Consulting Engineer for the System.

"Facilities" means all the facilities of the System initially consisting of the existing System as expanded by the Project, and also any facilities which may hereafter be added to the System by any additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

"Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.

"Government" means United States Department of Agriculture, Farmers Home Administration, and any successor thereof.

"Herein" means in this Ordinance.

"Holder of the Bonds" or "Bondholder" or any similar term means any person who shall be the bearer or owner of any outstanding Bond or Bonds registered to bearer or not registered, or the registered owner of any outstanding Bond or Bonds which shall at the time be registered other than to the bearer, or of any coupons representing interest accrued or to accrue on said Bonds.

"Mayor" means the Mayor of the Town.

"Net Revenues" means the balance of the gross revenues, as defined below, remaining after deduction only of operating expenses, as defined below.

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Town relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting practices.

"1963 Ordinance" means the ordinance described in Section 1.02 (H) above.

"Original Purchaser" means the purchaser, directly from the Town, of any series of Bonds issued pursuant hereto, or any part of any such series.

"Project" shall have the meaning stated above in Section 1.02(B).

"Recorder" means the Recorder of the Town.

"Reserve Requirement" means the maximum annual aggregate amount of interest and principal which will fall due on the Bonds outstanding.

"Revenues" or "gross revenues" means all rates, rents, fees, charges or other income received by the Town, or accrued to the Town, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"System" means the combined waterworks and sewerage system of the Town, and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection therewith.

"Town" means the Town of Glenville, in Gilmer County, West Virginia, and, where appropriate, also means the Common Council thereof and any department, board, agency or instrumentality thereof in control of the management and operation of the System.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION,  
REGISTRATION AND ISSUE OF BONDS

Section 2.01. Authorization of 1972 Bonds. Subject and pursuant to the provisions hereof, Bonds of the Town, to be known as "Combined Waterworks and Sewerage System Revenue Bonds, Series 1972" are hereby authorized to be issued in the aggregate principal amount of not exceeding Three Hundred Twenty-Five Thousand Dollars (\$325,000) for the purpose of financing the cost of the construction and acquisition of the Project.

Section 2.02. Description of 1972 Bonds. The 1972 Bonds may be issued in coupon or single, fully registered form, and shall be dated on the date of delivery thereof. The 1972 coupon Bonds shall be in the denomination of \$1,000 each, shall be numbered in order of maturity, lowest number first, from 1 to 325, inclusive, and shall bear interest from date, payable annually on January 1 of each year, at the rate or rates of not to exceed the rate of five per centum (5%) per annum. The minimum price for the 1972 Bonds shall be the par value thereof. Coupon and single, fully registered 1972 Bonds shall be exchangeable and interchangeable at the expense of the holder on 90 days' notice in writing to the Town, provided that any single, fully registered 1972 Bond issued upon initial delivery of the 1972 Bonds by the Town shall be exchanged on request of the owner for coupon Bonds at the expense of the Town.

The 1972 Bonds shall mature serially in numerical order, lowest numbers first, on January 1 in years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1974	\$ 2,000	1987	\$ 6,000	2000	\$10,000
1975	2,000	1988	6,000	2001	10,000
1976	3,000	1989	6,000	2002	11,000
1977	3,000	1990	7,000	2003	12,000
1978	3,000	1991	7,000	2004	12,000
1979	4,000	1992	7,000	2005	13,000
1980	4,000	1993	8,000	2006	14,000
1981	4,000	1994	8,000	2007	14,000
1982	4,000	1995	8,000	2008	15,000
1983	4,000	1996	8,000	2009	16,000
1984	5,000	1997	9,000	2010	16,000
1985	5,000	1998	9,000	2011	17,000
1986	5,000	1999	10,000	2012	18,000

The 1972 Bonds shall be redeemable prior to their respective stated dates of maturity at the option of the Town in whole or in part, in inverse numerical order on January 1, 1984, and on any January 1 thereafter at the price of the par value thereof and accrued interest to the date of redemption, subject to earlier redemption as provided in Section 3.01 hereof upon completion of the Project. If all the 1972 Bonds are held by the Government, all or any number of the 1972 Bonds may be redeemed at any time in inverse numerical order.

Notice of the redemption of any of the 1972 Bonds shall be published at least once not less than thirty nor more than sixty days prior to the date of redemption in a financial newspaper published in the City of New York, New York, and notice of any such redemption shall be sent by registered or certified mail to the holders of registered 1972 Bonds. If all 1972 Bonds to be redeemed are registered other than to bearer, no publication of such redemption need be made. Interest shall cease upon any of the 1972 Bonds so called for prior redemption on the date fixed for redemption, provided payment thereof has been duly made or provided for.

The 1972 Bonds shall be payable with respect to both principal and interest in lawful money of the United States of America at the office of the State Sinking Fund

Commission, Charleston, West Virginia, or at First National City Bank, New York, New York, at the option of the holder unless otherwise provided in and for the single, fully registered Bonds, and shall bear interest from their date, payable in accordance with and upon the surrender of the appurtenant interest coupons as they severally mature.

Section 2.03. Execution of Bonds and Coupons. The Bonds shall be executed in the name of the Town by the Mayor and the corporate seal of the Town shall be affixed thereto 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 before the Bonds so signed and sealed shall 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 Bond may be signed and sealed on behalf of the Town by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Town, although at the date of such Bond such person may not have held such office or may not have been so authorized.

The coupons to be attached to the Bonds shall be authenticated with the facsimile signatures of the present or any future Mayor and Recorder, and the Town may adopt and use for that purpose the facsimile signature of any person who shall have been such Mayor or Recorder at the time when said Bonds shall be actually sold and delivered.

The 1972 Bonds may be sold at one time in their entirety or from time to time in installments as the Town may determine without preference or priority as to any of the 1972 Bonds on account of any such sale in installments.

Section 2.04. Negotiability and Registration. The Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of West Virginia and shall pass by delivery except when registered. The 1972 coupon Bonds may be registered as to principal only or converted into bonds registered as to both principal and interest in accordance with the provisions of the forms hereinafter provided.

Section 2.05. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Town may, in its discretion, issue and deliver a new Bond with all unmatured coupons attached of like tenor as the Bond and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond and attached coupons, if any, or in lieu of and substitution for the Bond and attached coupons, if any, destroyed, stolen or lost, and upon the holder's furnishing the Town proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Town may require. All Bonds and coupons so surrendered shall be canceled and held for the account of the Town. If any such Bond or coupon shall have matured or be about to mature, instead of issuing a substitute Bond or coupon, the Town may pay the same, upon being indemnified as aforesaid, and, if such Bond or coupon be destroyed, stolen or lost, without surrender thereof.

Any such duplicate Bond and coupon issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the Town, whether or not the destroyed, stolen or lost Bonds or coupons be at

any time found by anyone, and such duplicate Bonds and coupons shall be entitled to equal and proportionate benefits with all other Bonds and coupons issued hereunder.

Section 2.06. Bonds Secured by Pledge of Revenues. The payment of the debt service of all the Bonds shall be secured forthwith equally and ratably by a lien on the revenues derived from the System in addition to the statutory mortgage lien on the System hereinafter provided for. The revenues derived from the System in an amount sufficient to pay the principal of and interest on the Bonds, and to make the payments into the Sinking Fund and otherwise as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due as herein provided. The said lien on revenues and statutory mortgage lien and the said pledge in favor of the 1972 Bonds are junior and subordinate to such liens and pledges in favor of the 1963 Bonds.

Section 2.07. Form of 1972 Bonds and Coupons. Subject to the provisions hereof, the text of the 1972 Bonds, the provision for registration to be endorsed thereon, the coupons, the single bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted by this Ordinance or any subsequent ordinance or resolution enacted or adopted prior to the issuance thereof:

(Form of Coupon Bonds)

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
COUNTY OF GILMER  
TOWN OF GLENVILLE  
COMBINED WATERWORKS AND SEWERAGE SYSTEM  
REVENUE BOND, SERIES 1972

No.

\$1,000

The TOWN OF GLENVILLE, in the County of Gilmer, State of West Virginia, a municipal corporation of the State of West Virginia (herein called the "Town"), for value received, hereby promises to pay to the bearer, or, if this Bond be registered, to the registered holder as herein provided, on the first day of January, , from the revenues hereinafter mentioned, the principal sum of

ONE THOUSAND DOLLARS

with interest thereon at the rate of \_\_\_\_\_ per centum ( %) per annum, payable on the first day of January of each year, upon the presentation and surrender of the annexed coupons as they severally fall due, unless this Bond be converted into a Bond registered as to both principal and interest. Both principal of and interest on this Bond are payable in lawful money of the United States of America at the office of the State Sinking Fund Commission, Charleston, West Virginia, or, at the option of the holder, at First National City Bank, New York, New York.

The Bonds of the issue and series of which this Bond is one may be redeemed prior to their stated maturities, without premium, at the option of the Town as a whole, or in part in inverse numerical order, on any January 1 beginning January 1, 1984, as provided in the Ordinance hereinafter mentioned, subject to earlier redemption if held by the Federal Government or from moneys in the Project Construction Account, all as

provided in said Ordinance. Notice of any such redemption shall be published at least once not less than thirty nor more than sixty days prior to the redemption date in a financial newspaper published in the City of New York, New York. Interest shall cease upon this Bond after the date fixed for redemption if it shall be duly called for prior redemption and payment thereof duly provided for.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000) of like date, tenor and effect, except as to number\* and date of maturity issued to finance part of the cost of the construction and acquisition of additions to the existing combined waterworks and sewerage system (herein collectively called the "System") of the Town under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Article 20, Chapter 8 of the West Virginia Code (herein called the "Act") and other applicable statutes, and an Ordinance duly enacted by the Council of the Town.

This Bond and the coupons appertaining hereto are payable solely from, and secured by a lien on and pledge of, the revenues derived from the operation of the System, with monthly payments from such revenues to be made into the Sinking Fund with the State Sinking Fund Commission for payment of the principal hereof and interest hereon, in the manner provided in said Ordinance, and additionally secured by a statutory mortgage lien upon the System as provided in the Act and said Ordinance, and do not and shall not in any event constitute an indebtedness of the Town within the meaning of any constitutional

\* add ", and interest rate" if more than one rate  
add ", and date of issuance" if more than one date and  
delete "date" in line above

or statutory provision or limitation, and the Town shall never be obligated to pay this Bond or the interest hereon except from the revenues of the System. The Town covenants with the holders of the Bonds of the issue of which this Bond is one to establish and at all times maintain such rates and collect such charges for the services and facilities of the System, and to revise the same from time to time, whenever necessary, as will always provide revenues in each fiscal year sufficient to make the required payments into the Sinking Fund and the reserves and accounts as provided in said Ordinance and to pay all necessary expenses of operating and maintaining the System during such fiscal year, and the Town has entered into certain other covenants with the holders of the Bonds of the issue of which this Bond is one, for the terms of which reference is made to said Ordinance.

The Bonds of the issue of which this Bond is one are junior and subordinate as to lien on and source of and security for payment from such revenues of the System to the Combined Waterworks and Sewerage Revenue Bonds of the Town dated as of the first day of June, 1963.

Additional Bonds, on a parity with this Bond and the Bonds of the issue of which this Bond is one, as to lien and source of and security for payment, may be issued under the provisions and restrictions contained in said Ordinance.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in regular and due form, time and manner as required by the laws and Constitution of the State of West Virginia applicable thereto, and that the issuance of this Bond and of the issue of Bonds of which this Bond is one is not in violation of any constitutional or statutory limitation of indebtedness.

This Bond, under the provisions of the Act, is, and has all the qualities and incidents of, a negotiable instrument.

This Bond and the interest hereon are, under the provisions of the Act, exempt from all taxation by the State of West Virginia and any county, municipality, political subdivision or agency thereof.

IN WITNESS WHEREOF, the Town of Glenville has caused this Bond to be signed by its Mayor and its corporate seal to be affixed hereto and attested by its Recorder and the annexed coupons to be executed with the facsimile signatures of said Mayor and said Recorder, all as of the \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

TOWN OF GLENVILLE

By \_\_\_\_\_  
Mayor

ATTEST:

(SEAL)

\_\_\_\_\_  
Recorder

(Form of Coupon)

§

On the first day of January, 19 \_\_, unless the Bond to which this coupon was originally attached shall have been callable and duly called for prior redemption and payment of the redemption price duly made or provided for, the Town of Glenville, in Gilmer County, West Virginia, will pay to the bearer at the office of the State Sinking Fund Commission, Charleston, West Virginia, or, at the option of the holder, at First National City Bank, New York, New York, solely from the revenues described in the Bond to which this coupon is attached, the sum shown hereon in lawful money of the United States of America, upon presentation and surrender of this coupon, being the interest then due on its Combined Waterworks and Sewerage System Revenue Bond, Series 1972, dated \_\_\_\_\_, 19 \_\_, No.

TOWN OF GLENVILLE

By \_\_\_\_\_ (facsimile signature)  
Mayor

ATTEST:

\_\_\_\_\_  
(facsimile signature)  
Recorder

(Certificate of Conversion)

It is hereby certified over my signature and the official seal of the issuing Town that upon the presentation of the within Bond with a written request by the holder thereof for its conversion into a bond registered as to both principal and interest, there have been this day cut off and destroyed \_\_\_ interest coupons attached thereto, of the amount and value of \_\_\_\_\_ each, being all the coupons for interest on the within Bond payable after the date of this certificate, and that the interest at the rate and on the dates stated in the within bond and as was provided by the coupons, as well as the principal, is to be paid to the registered holder hereof, his legal representatives, successors or transferees, at the place stated in the within bond and as was stated in the coupons. The principal of and interest on this Bond shall be payable only to the registered holder hereof named in the registration blank below, or his legal representative, and this Bond shall be transferable only on the books of the registrar kept in the office of the undersigned, and by an appropriate notation in such registration blank. When registered the registrar shall treat the registered owner as the person exclusively entitled to payment of interest and the exercise of all other rights and powers of the owner prior to due presentment for registration of transfer.

Dated: \_\_\_\_\_, 19\_\_.

(SEAL OF TOWN)

\_\_\_\_\_, Registrar

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Recorder of Town as Registra</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

(Form of Single, Fully Registered Bond)

REVENUE BOND

No. R-1

TOWN OF GLENVILLE

Date: \_\_\_\_\_

FOR VALUE RECEIVED, the TOWN OF GLENVILLE (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, (herein called the "Government") at its office in Grantsville, West Virginia, or at such other place as the Government may hereafter designate in writing, the principal sum of Three Hundred Twenty-Five Thousand Dollars (\$325,000), plus interest on the unpaid principal balance at the rate of five percent (5%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Interest only on January 1, 1973, and \$19,100 annually thereafter on January 1, except that the final installment shall be paid at the end of forty (40) years from the date of this Bond, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date

basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of additions for the existing combined waterworks and sewerage system of the Borrower, is payable solely from the revenues to be derived from the operation of such system after there have been first paid from such revenues the reasonable current costs of operation and maintenance thereof. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Article 20, of Chapter 8 of the West Virginia Code (herein called the "Act").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Administration Act of 1961. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

This Bond is junior and subordinate as to lien on and source of and security for payment from the revenues of the said system, to the liens and pledges in favor of the Combined Waterworks and Sewerage Revenue Bonds of the Town dated as of the first day of June, 1963.

(CORPORATE SEAL)

TOWN OF GLENVILLE

(Name of Borrower)

\_\_\_\_\_  
(Signature of Executive Official)

ATTEST:

\_\_\_\_\_  
(Signature of  
Attesting Official)

Mayor  
(Title of Executive Official)

Recorder  
(Title of Attesting  
Official)

Glenville, West Virginia 26351  
(Post Office Box No. or  
Street Address)

\_\_\_\_\_  
(City, State and Zip Code)

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$		(6) \$	
(2) \$		(7) \$	
(3) \$		(8) \$	
(4) \$		(9) \$	
(5) \$		(10) \$	

TOTAL

Pay to the Order of \_\_\_\_\_

UNITED STATES OF AMERICA  
FARMERS HOME ADMINISTRATION

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

ARTICLE III

1972 BOND PROCEEDS; REVENUES AND  
APPLICATION THEREOF

Section 3.01. 1972 Bond Proceeds; Project Construction Account. All moneys received from the sale of any or all the 1972 Bonds and all moneys received under said grant shall be deposited on receipt by the Town in Kanawha Union Bank, Glenville, West Virginia, a member of Federal Deposit Insurance Corporation (FDIC), in a special account hereby now established and designated as "Town of Glenville 1972 Combined Waterworks and Sewerage System Construction Account" (herein called the "Project Construction Account"). The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the Town solely for the purposes provided herein.

Until completion of construction of the Project, the Town will transfer from the Project Construction Account and deposit in the Sinking Fund, not later than fifteen days prior to the next interest payment date, such sums as shall be from time to time required to pay the interest becoming due on the 1972 Bonds on such interest payment date.

If the Town shall determine at any time that all funds on deposit in the Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the Town may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, which shall mature not later than eighteen months

after the date of such investment. All such investments and the income therefrom shall be carried to the credit of the Project Construction Account.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be promptly transmitted to the State Sinking Fund Commission with directions that such funds be used immediately to redeem or prepay the latest maturing 1972 Bonds and any residue shall be deposited in the Sinking Fund.

Section 3.02. Covenants as to Revenues and Funds.

So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Sinking Fund and the Reserve Account therein, hereinafter established, a sum sufficient to pay, when due or at the earliest practical redemption date, the entire principal of the Bonds remaining unpaid together with interest accrued and to accrue thereon, the Town further covenants with the holders of any and all Bonds issued pursuant hereto as follows, all the following payments and provisions being subject to the prior provision for payment of and compliance by the Town with the covenants relating to the 1963 Bonds outstanding:

(A) Disposition of Revenues Pending Payment of 1963 Bonds. Until payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, after making the required transfers and deposits from the Revenue Fund established by the 1963 Ordinance into the Sinking Fund and the Reserve Account therein and the Depreciation Account, all established by the 1963 Ordinance, and after paying the Operating Expenses of the System as provided and defined in

the 1963 Ordinance, and after paying any other charges and expenses required to be paid pursuant to the 1963 Ordinance, the Town will retain not more than the amount for working capital permitted by the 1963 Ordinance in the Revenue Fund for use as working capital and will transfer the balance in such Revenue Fund to the said Depreciation Account, now maintained in Kanawha Union Bank.

(B) Payments from Depreciation Account Pending Payment of 1963 Bonds. Until payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, moneys in the Depreciation Account established by the 1963 Ordinance shall be used first to replace, but not add, any capital assets of the System as may be necessary to comply with the 1963 Ordinance, and there shall be retained in the Depreciation Account, for use only to replace capital assets of the System, all the moneys on deposit in the Depreciation Account on the date of delivery of the 1972 Bonds and the monthly deposits made into the Depreciation Account in compliance with the provisions of Section 3.02 (B)(3) of the 1963 Ordinance, subject to withdrawals of such moneys as permitted by Section 3.02 (B)(5) of the 1963 Ordinance, and the balance of moneys in the Depreciation Account shall next be used in the following order and priority:

(1) The Town shall first, before the end of each month, transfer from the Depreciation Account and remit to the State Sinking Fund Commission for deposit into the "1972 Sinking Fund", which is hereby established with the State Sinking Fund Commission, one-twelfth of the amount required to pay the interest becoming due on the Bonds on the next interest payment date and, commencing with the month of January, 1973, one-twelfth of the amount of principal maturing on the next Bond principal maturity date.

The Town shall also remit from the Depreciation Account to the State Sinking Fund Commission, from time to time, such amounts as shall be required to pay the fiscal charges due to paying agents for paying the Bonds and the interest thereon.

(2) The Town shall next, each month, transfer from the Depreciation Account and remit to the State Sinking Fund Commission, for deposit into the 1972 Reserve Account hereby established in the 1972 Sinking Fund, one-twelfth of one-tenth of the maximum annual aggregate amount of interest and principal which will fall due on the Bonds outstanding until the amount in the 1972 Reserve Account equals such maximum annual aggregate amount of interest and principal. After such amount has been accumulated in the 1972 Reserve Account, the Town shall monthly remit to the State Sinking Fund Commission such part of the moneys remaining in the Depreciation Account, after such provision for payment of maturing principal of and interest on the Bonds, as shall be required to maintain such amount in the 1972 Reserve Account. Moneys in the 1972 Reserve Account shall be used solely to make up any deficiency in the 1972 Sinking Fund for payment of the principal of and interest on the Bonds as the same shall mature or for mandatory redemption of Bonds as hereinafter provided and for no other purpose.

(C) Procedure as to Revenues after Payment of 1963 Bonds. After payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, the gross revenues of the System shall be deposited in the Revenue Fund established by the 1963 Ordinance and hereby continued, which Revenue Fund is now maintained in said Kanawha Union Bank, and shall be disposed of only in the following order and priority:

(1) The Town shall first, each month, from the moneys in the Revenue Fund, pay or provide for payment of all current Operating Expenses.

(2) The Town shall next, before the end of each month, transfer from the Revenue Fund and remit to the State Sinking Fund Commission, for deposit into the 1972 Sinking Fund one-twelfth of the amount required to pay the interest becoming due on the Bonds on the next interest payment date and one-twelfth of the amount of principal maturing on the next Bond principal maturity date.

The Town shall also remit to the State Sinking Fund Commission, from time to time, such amounts as shall be required to pay the fiscal charges due to paying agents for paying the Bonds and the interest thereon.

(3) The Town shall next, each month, transfer from the Revenue Fund and remit to the State Sinking Fund Commission, for deposit into the 1972 Reserve Account one-twelfth of one-tenth of the maximum annual aggregate amount of interest and principal which will fall due on the Bonds outstanding until the amount in the 1972 Reserve Account equals such maximum annual aggregate amount of interest and principal. After such amount has been accumulated in the 1972 Reserve Account, the Town shall monthly remit to the State Sinking Fund Commission such part of the moneys remaining in the Revenue Fund, after such provision for payment of maturing principal of and interest on the Bonds, as shall be required to maintain such amount in the 1972 Reserve Account.

(4) The Town shall next, each month, transfer from the Revenue Fund and remit to the State Sinking Fund Commission the moneys remaining in the Revenue Fund for deposit in the Depreciation Reserve, hereby established with the State

Sinking Fund Commission, until there has been accumulated therein the sum of \$15,000 and thereafter, such sums as shall be required to maintain such amount therein. Moneys in the Depreciation Reserve shall be used first to make up any deficiencies in the 1972 Sinking Fund for payment of principal of and interest on the Bonds as the same mature, and next to restore to the 1972 Reserve Account any sum or sums transferred therefrom to the 1972 Sinking Fund. Thereafter, and provided that payments into the 1972 Sinking Fund and the 1972 Reserve Account therein are current and in accordance with the foregoing provisions, moneys in the Depreciation Reserve may be withdrawn by the Town and used for extensions, replacements and improvements of the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund, as the case may be, have been fully complied with, any moneys remaining therein may be used to redeem Bonds outstanding or for any lawful purpose in connection with the System, the State Sinking Fund Commission to handle redemption of Bonds upon instructions of the Town.

Whenever the moneys in the 1972 Sinking Fund and in the 1972 Reserve Account therein shall be sufficient to purchase or redeem all Bonds outstanding, it shall be the mandatory duty of the Town, anything to the contrary in this Ordinance notwithstanding, to direct the State Sinking Fund Commission to purchase or redeem all outstanding Bonds at the earliest practical date and in accordance with applicable

provisions hereof, any such purchase to be at a price or prices not exceeding the then market price of Bonds so purchased, but in no event exceeding the then redemption price of the Bonds, as to Bonds subject to redemption, and not exceeding the par value of Bonds not subject to redemption but available for purchase.

(D) Additional Provisions as to Funds and Payments. The State Sinking Fund Commission is hereby designated as the Fiscal Agent for the administration of the 1972 Sinking Fund, the 1972 Reserve Account and the Depreciation Reserve as herein provided, and all amounts required therefor will be remitted to the State Sinking Fund Commission from the Depreciation Account or the Revenue Fund by the Town at the times provided herein, together with written advice stating the amount remitted for deposit into such Fund, Account and Reserve.

All the funds provided for in this Section shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the Bondholders shall have a lien thereon for further securing payment of the Bonds and the interest thereon. The moneys in excess of the sum insured by FDIC in the Revenue Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, in a manner lawful for securing deposits of State and municipal funds under the laws of the State of West Virginia.

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

The State Sinking Fund Commission shall keep the moneys in the 1972 Sinking Fund, the 1972 Reserve Account and the Depreciation Reserve invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding two years.

(E) Disposition of Excess Moneys for 1963 Bonds.

Upon payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, all moneys in the Sinking Fund and the Reserve Account therein established by the 1963 Ordinance, remaining after such full payment, shall be transferred to the 1972 Sinking Fund, and all moneys in the Depreciation Account shall be transferred to the Depreciation Reserve.

ARTICLE IV

GENERAL COVENANTS

Section 4.01. General Statement. So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the 1972 Sinking Fund and the 1972 Reserve Account therein a sum sufficient to pay when due, or redeem or purchase prior to maturity, the entire principal of the Bonds remaining unpaid, together with interest accrued and to accrue thereon and any applicable redemption premiums, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Town and the Bondholders.

Section 4.02. Rates. The Town will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide revenues in each fiscal year sufficient to produce net revenues equal to not less than 110% of the average annual debt service on all Bonds outstanding and to make the payments required herein to be made into the 1972 Sinking Fund, the 1972 Reserve Account and the Depreciation Reserve, and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System may be sold, mortgaged, leased or otherwise disposed of only as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient fully to pay all the Bonds and the interest thereon as herein provided. The proceeds from such sale, mortgage, lease or other disposition

of the System shall immediately be remitted to the State Sinking Fund Commission and the Town shall direct said Commission to apply such proceeds to the payment of the principal of and interest on the Bonds at the redemption prices for the respective series, or upon purchase of Bonds available for purchase at the then current market price not exceeding the par value thereof plus accrued interest to the date of purchase. Any balance remaining after the redemption or payment of all the Bonds and interest thereon shall be remitted to the Town by the State Sinking Fund Commission unless necessary for the payment of other obligations issued by the Town and payable out of the revenues of the System.

The foregoing provision notwithstanding, the Town shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof, provided that the net book value thereof does not exceed \$5,000. Prior to any such sale, lease or other disposition of said property, the general manager or other duly authorized officer in charge of the System shall make a finding in writing, concurred in by resolution of the Council, determining that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and such proceeds shall be deposited as required by the 1963 Ordinance or into the Depreciation Reserve.

Payments of such proceeds into the Depreciation Reserve shall not reduce the amounts required to be paid into the Depreciation Reserve by other provisions hereof.

Section 4.04. Covenant Against Encumbrances. The Town will not issue any obligations whatsoever, except additional parity Bonds hereinafter provided for, payable from the revenues of the System which rank prior to or equally as to lien on and source of and security for payment from such revenues with the Bonds; and all obligations hereafter issued by the Town payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues, and in all other respects, to the Bonds.

Except as herein provided as to additional parity Bonds, the Town will not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge, having priority over or being on a parity with the lien of the Bonds, and the interest thereon, upon any of the income and revenues of the System pledged hereby as security therefor, or upon the System or any part thereof.

The Town hereby expressly covenants that it will not issue any bonds on a parity with the 1963 Bonds.

Section 4.05. Issuance of Additional Parity Bonds. No additional parity Bonds, as in this Section defined, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant hereto, except under the conditions and in the manner herein provided.

(A) No such additional parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, additions and improvements to the System or refunding Bonds issued hereunder, except as provided in subsection (G) of this Section.

(B) No such additional parity Bonds shall be issued at any time, however, unless and until there has been procured

and filed with the Recorder a written certification by a certified public accountant not in the regular employ of the Town based upon the necessary investigation, reciting the conclusion that the net revenues, as defined herein, actually derived from the System during the fiscal year immediately preceding the date of the issuance of such additional parity Bonds, shall have been not less than one hundred twenty per centum (120%) of the average aggregate amount which will mature or become due in any succeeding fiscal year for principal of and interest on the Bonds and the 1963 Bonds then outstanding and on the additional parity Bonds then proposed to be issued. This limitation may be waived or modified by the written consent of Bondholders representing 75% of each Series of the then outstanding Bonds issued pursuant hereto.

(C) Prior to the issuance of any such additional parity Bonds, the Town shall have entered into written contracts for the immediate acquisition or construction of such additions, extensions or improvements to the System which are to be financed by such additional parity Bonds.

(D) The term "additional parity Bonds", as used in this Section, shall be deemed to mean additional Bonds issued under the provisions and within the limitations of this Section, payable from the revenues of the System on a parity with the 1972 Bonds, and all the covenants and other provisions of this Ordinance (except as to details of such additional parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the holders of any Bonds issued pursuant to this Ordinance and the holders of any additional parity Bonds subsequently issued within the limitations of and in compliance with this Section. All

such Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System, and their source of and security for payment from said revenues, without preference of any Bond or coupon over any other. The Town shall comply fully with all the increased payments into the various funds created herein required for such additional parity Bonds, in addition to the payments required for Bonds originally issued hereunder. Redemption of Bonds prior to maturity in the event that the 1972 Bonds and additional parity Bonds hereby authorized are outstanding, shall as nearly as practical be on an equal pro rata basis reflecting the original amounts of each issued.

(E) All additional parity Bonds issued pursuant to this Section shall mature on January 1 of each year of maturity, and the interest thereon shall be payable January 1 of each year.

(F) No additional parity Bonds shall be issued at any time unless all the payments into the respective Funds provided for herein on Bonds then outstanding and all other payments provided for herein shall have been made or paid up as required to the date of issuance of the additional parity Bonds and the Town shall have fully complied with all the covenants, agreements and terms hereof or shall have remedied any deficiency in such compliance.

(G) With the written consent in advance of the original purchaser of the 1972 Bonds and of Farmers Home Administration and anything to the contrary in subsections (A), (B) and (C) of this Section notwithstanding, additional parity Bonds may be authorized and issued by the Town pursuant to supplemental ordinance in the event that the 1972 Bonds should be insufficient, together with other funds lawfully available therefor, to pay all costs of construction of the Project. Any such additional parity Bonds authorized

and issued under the provisions of this subsection shall be limited to the aggregate principal amount required to make up any deficiency in funds for payment of such construction costs, and the maturities of any such additional parity Bonds shall be in years and amounts suggested by said original purchaser and Farmers Home Administration.

Section 4.06. Insurance and Bonds. The Town hereby covenants and agrees that so long as any of the Bonds remain outstanding, it will, as an expense of operation and maintenance of the System, procure, carry and maintain insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the Town will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Town will itself, or will require each contractor and subcontractor to obtain and maintain builder's risk insurance to protect the interests of the Town during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$100,000 for one person and \$300,000 for more than one person injured or killed in one accident to protect the Town from claims for bodily injury and/or death, and not less than \$100,000 from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured at the commencement of construction of the Project.

(c)  Vehicular Public Liability Insurance, in the event the Town owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Town is operated for the benefit of the Town with limits of not less than \$100,000 for one person and \$300,000 for more than one person injured or killed in one accident to protect the Town from claims for bodily injury and/or death, and not less than \$100,000 from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle.

(d)  Workmen's Compensation Coverage for all Employees of or for the System Eligible Therefor; and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each contractor dealing directly with the Town, and such payment bonds will be filed with the Clerk of the County Court of said County prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(e)  Fidelity Bonds will be provided as to every officer and employee of the Town having custody of the Revenue Fund 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, and initially in the amount of \$3,000 upon the Recorder, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned.

(f) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Government holds any of the Bonds, the Town will carry insurance and bonds or

cause insurance and bonds to be carried for the protection of the Town and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Government may specify, with insurance carriers or bonding companies acceptable to the Government.

Section 4.07. Statutory Mortgage. For the further protection of the holders of the Bonds and the coupons appertaining thereto, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, and which statutory mortgage lien is hereby recognized and declared to be junior and subordinate to the statutory mortgage lien in favor of the 1963 Bonds.

Section 4.08. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of the principal, and, if any premium be due, of such premium, of any of the Bonds either at the date therein specified for their payment or by proceedings for redemption or otherwise;

(B) Failure to make payment of any installment of interest due on any of the Bonds on the date specified for the payment of such interest;

(C) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Town in the Bonds or herein, or violation of or failure to observe any provision of any pertinent law, provided any such failure or violation, excluding those covered in (A) and (B) above in this Section, shall continue for a period of thirty days after written notice shall have been given to the Town by any Bondholder specifying such failure or violation and requiring the same to be remedied.

Section 4.09. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, any Bondholder may proceed to protect and enforce the rights of the Bondholders by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by such Bondholder, such court may, upon proof of such default, appoint a receiver for the affairs of the Town and the System. The receiver so appointed shall administer the System on behalf of the Town, shall exercise all the rights and powers of the Town with respect to the System and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 4.10. No Priority Between Bonds. The Bonds, as herein defined, shall not be entitled to priority one over the other in the application of the revenues of the System or with respect to the security for their payment, regardless of the time or times of their issuance, it being the intention hereof that there shall be no priority among such Bonds, regardless of the fact that they may be actually issued and delivered at different times.

Section 4.11. Fiscal Year; Budget. While any Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a fiscal year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than thirty days prior to the beginning of each fiscal year, the Town agrees to adopt the Annual Budget for the ensuing year, and

no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such fiscal year unless unanimously authorized and directed by the Council. Copies of each Annual Budget shall be delivered to the Government, by the beginning of each fiscal year and shall be mailed to the original purchaser of the 1972 Bonds and to those Bondholders who shall have filed their names and addresses with the Recorder for such purpose.

If for any reason the Town shall not have adopted the Annual Budget before the first day of any fiscal year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than ten per centum; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Town. Each such Budget of Current Expenses shall be delivered and mailed immediately as in the case of the Annual Budget.

Section 4.12. Covenant to Proceed and Complete.

The Town hereby covenants to proceed as promptly as possible with the construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and on file with the Recorder on the date of enactment hereof, subject to permitted changes.

Section 4.13. Books and Records. The Town will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Town in which complete and correct entries shall be made of all transactions relating to the System, and any holder of a

Bond or Bonds, his agents and representatives, shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Town relating thereto.

The Town shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants, shall mail a copy of such audit report to the Government and the original purchaser of the Bonds, and shall make available the report of said accountants at all reasonable times to any holder or holders of the Bonds, or any customer receiving services from the System, or anyone acting for and in behalf of such Bondholder, Bondholders or customer. The Government, so long as it holds all the Bonds, may permit substitution of a copy of the annual audit report by the office of the State Tax Commissioner for the copy of annual audit report by a certified public accountant.

Section 4.14. Maintenance of the System. The Town covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as any of the Bonds are outstanding.

Section 4.15. No Competition. The Town will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to, or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Town or within the territory served by the System.

ARTICLE V

RATES, ETC.

Section 5.01. Initial Schedule of Rates and Charges;

Rules. A. The initial schedule of rates and charges for the services and facilities of the System shall be as follows:

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service.

RATES FOR WATER CONSUMPTION

First	3,000 gallons used per month	\$1.50 per 1,000 gallons
Next	3,000 gallons used per month	1.30 per 1,000 gallons
Next	4,000 gallons used per month	1.15 per 1,000 gallons
Next	10,000 gallons used per month	1.00 per 1,000 gallons
Next	20,000 gallons used per month	.85 per 1,000 gallons
Next	60,000 gallons used per month	.60 per 1,000 gallons
All over	100,000 gallons used per month	.50 per 1,000 gallons

MINIMUM CHARGE FOR WATER

No bill will be rendered for less than \$4.50 for one month's water service.

RATES FOR SEWER SERVICE

Sewer charges shall be based upon and equal to water rates and charges or equivalent charge if a customer does not receive water service.

DELAYED PAYMENT PENALTY AND RECONNECT CHARGE

All bills are payable when rendered. On all accounts not paid in full within ten (10) days of date of bill, ten percent (10%) will be added to the net amount shown. If any bill is not paid within forty (40) days of the date thereof, service to the customer shall be shut off and the meter locked. On such shutting off of service, service shall not be restored until all past due bills shall have been paid in full, and all accrued penalties, plus a reconnecting charge of fifteen (\$15.00) dollars. Notice of discontinuance will be given in accordance with applicable Public Service Commission Rules and Regulations.

CONNECTION CHARGE PER SERVICE (TAP FEES)

The connection charge (tap fee) to be charged each customer in advance either for water service or for sewer service shall be \$150 or actual cost of installation, including materials and labor, whichever is greater.

### MULTIPLE OCCUPANCY

On apartment buildings or other multiple occupancy buildings, house trailer (mobile house) court or park, each family or business unit shall be required to pay not less than the minimum monthly charge herein established or such other monthly minimum charge as the Public Service Commission shall approve. Motels and hotels shall pay according to the metered usage.

B. The Town will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Town or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other revenues of the System.

C. The Town may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

D. No allowance or adjustment in any bill for use of the services and facilities of the System shall be made for any leakage occurring on the customer's side of any water meter.

E. The Town shall not be liable to any customer for any damage resulting from bursting or breakage of any line, main, pipe, valve, equipment or part or from discontinuance of the operation of any part of the System or from failure of any part thereof for any cause whatsoever.

F. In case of emergency, the Town shall have the right to restrict the use of any part of the System in any reasonable manner for the protection of the System and the inhabitants of the Town.

G. The fees, rates and charges above provided will be increased whenever such increase is necessary in order to comply fully with all provisions hereof, and the Town shall always be obligated to and shall fix, establish and collect fees, rates and charges for the services and facilities of the System which shall at all times be sufficient to provide net revenues to meet its obligations hereunder, but not less than 110% of the average annual debt service on all Bonds outstanding.

ARTICLE VI  
MISCELLANEOUS

Section 6.01. Filing Under Uniform Commercial Code.

Contemporaneously with the delivery of the Bonds, or sooner, the Town shall execute Financing Statements meeting the requirements of the Uniform Commercial Code of West Virginia and promptly thereafter shall file such Financing Statements in the offices of the Secretary of State of the State of West Virginia and of the Clerk of the County Court of said County.

Section 6.02. Modification or Amendment. No ma-

terial modification or amendment of this Ordinance, or of any ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the holders of two-thirds or more in principal amount of each series of the Bonds then outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of any of the Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation, or affecting the unconditional promise of the Town to pay the principal of and interest on the Bonds as the same shall become due from the revenues of the System, without the consent of the holders of such Bonds. Notwithstanding the above, no amendment or modification shall be made which would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications, and for consent of 75% of the holders of each Series of Bonds outstanding to waiver or modification of the limitation upon issuance of additional parity Bonds contained in Section 4.05B.

Section 6.03. Sale of 1972 Bonds. The Recorder is hereby authorized and directed to cause notice for bids for the purchase of the 1972 Bonds, but not less than all, to

be published at least once not less than five days prior to the date fixed for the receipt of bids, in a newspaper published and of general circulation in said County.

Section 6.04. Refunding of Bonds Permitted. The Town reserves the right to refund the Bonds, subject to applicable provisions of West Virginia law, when in its judgment it would be to the best interests of the Town and of its inhabitants so to do. Upon payment of all the Bonds outstanding, prior to or simultaneously with the issuance of any refunding bonds or of an issue of bonds for the purposes of refunding the Bonds then outstanding and providing funds for additions, extensions and improvements to the System, or upon provision for such payment by deposit irrevocably in trust, with the State Sinking Fund Commission of West Virginia, of a sum equal to the principal amount of the Bonds outstanding, plus an amount equal to all interest accrued and to accrue to the date of payment or redemption of such Bonds, and plus an amount sufficient to pay all applicable redemption premiums on the earliest practical redemption date, the security, pledge and any lien applicable to the Bonds then outstanding shall immediately cease. The sum so deposited in trust shall be used solely to pay at the earliest practical redemption date the principal amount of the Bonds and all interest thereon to the date of redemption and the applicable redemption premiums, or to purchase Bonds at not to exceed the par value of the Bonds plus interest accrued to date of purchase. The moneys so deposited may be invested by the State Sinking Fund Commission in direct obligations of the United States of America or obligations the payment of the principal of and interest on which is guaranteed by the United States of America, having maturities not later than the dates on which the moneys shall

be required to be used for such redemption.

Section 6.05. Severability of Invalid Provision.

If any one or more of the covenants, agreements or provisions of this Ordinance should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of all the other provisions hereof or the Bonds or coupons appertaining thereto.

Section 6.06. Conflicting Provisions Repealed.

All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided, however, that the 1963 Ordinance shall not be affected by this provision.

Section 6.07. Table of Contents and Headings.

The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 6.08. Effective Time.

This Ordinance shall take effect following public hearing hereon in accordance with the Act.

Section 6.09. Statutory Notice and Public Hearing.

Upon enactment hereof, an abstract of this Ordinance determined by the Council to contain sufficient information to give notice of the contents of this Ordinance, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in The Glenville Pathfinder, a

newspaper published and of general circulation in the said Town, publication of which abstract of this Ordinance shall be together with a notice stating that this Ordinance has been enacted and that a certified copy of this Ordinance is on file with the Council in the office of the Recorder for review by interested persons during office hours of the Recorder, and that the Town contemplates the issuance of the 1972 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 second publication of the said abstract and notice, and present protests. At such hearing, all objections and suggestions shall be heard, and the Council shall take such action as it shall deem proper in the premises.

Passed on First Reading November 13, 1972

Passed on Second and ~~Final~~ Final Reading November 14, 1972

Effective following public hearing held on the date of Second and Final Reading stated above.

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Mayor

---

Recorder



TOWN OF GLENVILLE

Combined Waterworks and Sewerage System Revenue Bond,  
Series 1986

BOND ORDINANCE

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08/22/86  
GLENV2-A

TOWN OF GLENVILLE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS FOR THE WATERWORKS OF THE TOWN OF GLENVILLE, AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE TOWN OF ITS \$348,000 COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BOND, SERIES 1986, ON A PARITY WITH THE 1972 BONDS OF THE TOWN BUT JUNIOR AND SUBORDINATE TO THE 1963 BONDS OF THE TOWN; PRESCRIBING THE TERMS AND PROVISIONS OF THE BOND; PROVIDING FOR THE RIGHTS, REMEDIES AND SECURITY OF THE BONDHOLDER; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

BE IT ORDAINED AND ENACTED BY THE COMMON COUNCIL OF THE TOWN OF GLENVILLE:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS  
AND DEFINITIONS

Section 1.01. Authority for This Ordinance. This Ordinance is adopted pursuant to the provisions of Article 20, Chapter 8 of the West Virginia Code (the "Act"), and other applicable provisions of law.

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

A. The Town of Glenville (the "Issuer"), in the County of Gilmer, State of West Virginia, is now served by a public combined waterworks and sewerage system (the "System"). The inhabitants of the Issuer and surrounding area served by the System urgently require that the waterworks portion of the System be improved as herein provided. The waterworks and sewerage system of the Issuer were combined pursuant to the 1963 Ordinance, herein defined.

B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer and, accordingly, it is hereby ordered, that there be acquired and constructed improvements to the existing

waterworks of the Issuer consisting of a storage tank, water mains and water treatment plant renovations, with all necessary appurtenant facilities (the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Recorder of the Issuer. The acquisition and construction of the Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

C. It is necessary for the Issuer to issue its revenue bond in the principal amount of \$348,000 to finance a portion of the cost of the Project in the manner hereinafter provided.

D. The estimated maximum cost of the acquisition and construction of the Project is \$1,438,000 of which \$348,000 will be obtained from the proceeds of sale of the Bond herein authorized and approximately \$1,090,000 from a grant by the Economic Development Administration, United States Department of Commerce.

E. The cost of such acquisition and construction shall be deemed to include, without being limited to, the acquisition and construction of the Project; the acquisition of any necessary property, real or personal, or interest therein; interest on the Bond prior to, during and for six months after completion of such construction to the extent that revenues of the System, herein defined, are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the construction of the Project and the financing authorized hereby.

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

G. There are outstanding obligations of the Issuer which are senior and prior to the Bond as to liens and source of and security for payment, being the Combined Waterworks and Sewerage Revenue Bonds of the Issuer, dated June 1, 1963 (the "1963 Bonds"), issued in the original principal amount of \$625,000 and which are presumed to be held by various members of the public, and there are outstanding obligations of the Issuer which are on a parity with and equal to the Bond as to liens and source of and security for payment, being the Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, of the Issuer, dated November 7, 1973 (the "1972 Bonds"), issued in the original principal amount of \$325,000 and which is held by the Purchaser.

H. The Purchaser is expected by the Issuer to purchase the entire principal amount of the Bond.

I. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition, construction and operation of the Project and issuance of the Bond, or will have so complied prior to issuance of the Bond, including, if necessary, among other things, the consent and approval, pursuant to the Act, of the Project by the Public Service Commission of the State of West Virginia by final order, the time for rehearing and appeal of which having expired.

Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of the Bond by the Purchaser, this Ordinance (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Purchaser, and the covenants and agreements set forth herein to be performed by the Issuer shall be for the benefit, protection and security of the Purchaser as holder of the Bond.

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

"Act" means Article 20, Chapter 8 of the West Virginia Code.

"Bond" means the \$348,000 Combined Waterworks and Sewerage System Revenue Bond, Series 1986, authorized hereby to be issued pursuant to this Ordinance.

"Bonds" means, collectively, the Bond, the 1972 Bonds and the 1963 Bonds.

"1972 Bonds" means the Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, of the Issuer, dated November 7, 1973, issued in the original aggregate principal amount of \$325,000, and, where applicable, includes the coupons appertaining thereto.

"1963 Bonds" means the Combined Waterworks and Sewerage Revenue Bonds of the Issuer, dated June 1, 1963, issued in the original aggregate principal amount of \$625,000, and where applicable, includes the coupons appertaining thereto.

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

"Consulting Engineer" means Kelley, Gidley, Blair & Wolfe, Inc., Charleston, West Virginia, or any qualified engineer or firm

of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

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

"Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.

"Governing Body" means the Common Council of the Issuer.

"Government" means United States Department of Agriculture, Farmers Home Administration, and any successor thereof.

"Herein" means in this Bond Legislation.

"Holder of the Bond," "Bondholder" or any similar term means any person who shall be the registered owner of the Bond.

"Issuer" means the Town of Glenville, in Gilmer County, West Virginia, and includes the Governing Body.

"Mayor" means the Mayor of the Issuer.

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

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting principles and retention of a sum not to exceed one-sixth of the budgeted operating expenses stated above for the current year as working capital, and language herein requiring payment of operating expenses means also retention of not to exceed such sum as working capital, provided that all of the payments upon the Bonds and into funds established in the Ordinances have been made to the last monthly payment date prior to such retention.

"Ordinances" means the Bond Legislation, the 1972 Ordinance and the 1963 Ordinance.

"1972 Ordinance" means the ordinance of the Issuer enacted December 11, 1972, authorizing the 1972 Bonds.

"1963 Ordinance" means the ordinance of the Issuer enacted August 5, 1963, authorizing the 1963 Bonds.

"Project" shall have the meaning stated in Section 1.02(B) above.

"Purchaser" means United States Department of Agriculture, Farmers Home Administration, and any successor thereof.

"Recording Officer" or "Recorder" means the Recorder of the Issuer.

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

"Revenues" or "Gross Revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"System" means and includes the complete combined waterworks and sewerage system of the Issuer, including the Project, and all waterworks and sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the combined system; and shall also include any and all additions, extensions, improvements, properties or other facilities at any time acquired or constructed for the combined waterworks and sewerage system after completion of the Project.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Section 1.05. Compliance with Requirements of 1972 and 1963 Ordinances. The issuance of the Bond junior and subordinate to the 1963 Bonds is permitted under the terms of the 1963 Ordinance, and the issuance of the Bond on a parity and equal basis with the 1972 Bonds is permitted under the terms of the 1972 Ordinance, subject to the requirements therein contained. The Issuer is not in default under the terms of the 1963 Ordinance or 1972 Ordinance, and

has complied with the requirements of the 1963 Ordinance and 1972 Ordinance in connection with the issuance of the Bond, including, without limitation, the requirements concerning issuance of junior and parity bonds.

## ARTICLE II

### AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF BOND

Section 2.01. Authorization of Bond. Subject and pursuant to the provisions of this Ordinance, the Bond of the Issuer, to be known as "Combined Waterworks and Sewerage System Revenue Bond, Series 1986," is hereby authorized to be issued in the aggregate principal amount of not exceeding \$348,000 for the purpose of financing a portion of the cost of the acquisition and construction of the Project.

Section 2.02. Description of Bond. The Bond shall be issued in single form, No. R-1, only as a fully registered bond, and shall be dated the date of delivery. The Bond shall bear interest from date, payable monthly at the rate of 5% per annum, and shall be sold for the par value thereof.

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

Section 2.03. Negotiability, Registration, Transfer and Exchange of Bonds. The Bond shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the Bond may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 2.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Issuer.

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

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

Section 2.04. Registrar. The Issuer will keep or cause to be kept at its office, sufficient books for the registration and transfer of the Bond, and, upon presentation for such purpose, the Issuer shall, under such reasonable regulations as it may prescribe, register the Bond initially issued pursuant hereto and register the transfer, or cause to be registered, on such books, the transfer of the Bond as hereinbefore provided.

The Issuer shall accept the Bond for registration or transfer only if ownership thereof is to be registered in the name of an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust, and the federal employer identification number and date of each trust and the name of the trustee of each trust.

Section 2.05. Execution of Bond. The Bond shall be executed in the name of the Issuer by the Mayor and its corporate seal shall be affixed thereto and attested by the Recorder.

Section 2.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his or its ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Bond so surrendered shall be canceled and held for the account of the Issuer. If the Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same, and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 2.07. Bond Secured by Pledge of Revenues. The payment of the debt service of the Bond shall be secured forthwith by a pledge of and lien on the revenues derived from the System in addition to the statutory mortgage lien on the System hereinafter provided for, on a parity in all respects with the 1972 Bonds, but said liens are junior and subordinate to the liens and pledges of, and in all other respects to, the 1963 Bonds. The revenues derived from the System in an amount sufficient to pay the principal of and interest on the Bond after payments required for the 1963 Bonds outstanding are hereby irrevocably pledged to the payment of installments of the principal and interest on the Bond as the same become due as herein provided on a parity with the 1972 Bonds.

Section 2.08. Form of Bond. Subject to the provisions hereof, the text of the Bond and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or any resolution adopted after the date of adoption hereof and prior to the issuance thereof:

(Form of Bond)

COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BOND,  
SERIES 1986

TOWN OF GLENVILLE

\$348,000

No. R-1

Date: \_\_\_\_\_

FOR VALUE RECEIVED, the TOWN OF GLENVILLE (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri, 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Three Hundred Forty-eight Thousand Dollars (\$348,000), plus interest on the unpaid principal balance at the rate of 5% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first 24 months after the date hereof and \$1,709, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 40 years from the date of this Bond, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the installments

last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of additions, extensions and improvements to the combined waterworks and sewerage system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System. This Bond does not in any manner

constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

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

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

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Article 20 of Chapter 8 of the West Virginia Code (herein called the "Act"), and with an Ordinance of the Borrower duly enacted (the "Bond Legislation").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

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

This Bond is on parity in all respects with the 1972 Bonds, and is junior and subordinate as to lien on and source and security for payment from such revenues herein described and in all respects to the 1963 Bonds, both described in the said Bond Legislation.

TOWN OF GLENVILLE  
(Name of Borrower)

[CORPORATE SEAL]

\_\_\_\_\_  
(Signature of Executive Official)

Mayor  
(Title of Executive Official)

City Hall, Court Street  
(P. O. Box No. or Street Address)

Glenville, West Virginia 26351  
(Town, State and Zip Code)

ATTEST:

\_\_\_\_\_  
(Signature of Attesting Official)

Recorder  
(Title of Attesting Official)

(Form of)  
RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$		(6) \$	
(2) \$		(7) \$	
(3) \$		(8) \$	
(4) \$		(9) \$	
(5) \$		(10) \$	
TOTAL		\$	

(Form of)

ASSIGNMENT

Pay to the Order of \_\_\_\_\_  
\_\_\_\_\_

UNITED STATES OF AMERICA FARMERS  
HOME ADMINISTRATION

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

(No writing on this Bond except by the Registrar)

Date of Registration	In Whose Name Registered	Signature of Recorder of Registrar
_____	_____	_____
_____	_____	_____
_____	_____	_____

### ARTICLE III

#### BOND PROCEEDS; REVENUES AND APPLICATION THEREOF

Section 3.01. Bond Proceeds; Project Construction Account. The proceeds of sale of the Bond shall be deposited on receipt by the Issuer in the Kanawha Union Bank, Glenville, West Virginia, a member of Federal Deposit Insurance Corporation (the "FDIC"), in a special account hereby created and designated as the "Town of Glenville Project Construction Account" (herein called "Project Construction Account"). The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of state and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Until completion of acquisition and construction of the Project, the Issuer will transfer from the Project Construction Account and pay to the Government on or before the 15th day of each month, such sums as shall be from time to time required to make the monthly installment payments on the Bond if there are not sufficient revenues to make such monthly payment.

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

If the Issuer shall determine at any time that all funds on deposit in the Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the Issuer may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by the United States of America, which shall mature not later than eighteen months after the date of such investment. All such investments and the income therefrom shall be carried to the credit of the Project Construction Account.

When acquisition and construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 3.02. Covenants of the Issuer as to Revenues and Funds. So long as the Bond shall be outstanding and unpaid, or

until there shall have been set apart in the Reserve Account hereinafter described, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Bond remaining unpaid, together with interest accrued and to accrue thereon, the Issuer further covenants with the holder of the Bond as follows, all the following payments and provisions being subject to the prior provision for payment of and compliance by the Issuer with the covenants relating to the 1963 Bonds outstanding:

A. DISPOSITION OF REVENUES PENDING PAYMENT OF 1963 BONDS. Until payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, after making the required transfers and deposits from the Revenue Fund established by the 1963 Ordinance into the Sinking Fund and the Reserve Account therein and the Depreciation Account, all established by the 1963 Ordinance, and after paying the Operating Expenses of the System as provided and defined in the 1963 Ordinance, and after paying any other charges and expenses required to be paid pursuant to the 1963 Ordinance, the Issuer will retain not more than the amount for working capital permitted by the 1963 Ordinance in the Revenue Fund for use as working capital and will transfer the balance in such Revenue Fund to the said Depreciation Account set forth in the 1972 Ordinance.

B. PAYMENTS FROM DEPRECIATION ACCOUNT PENDING PAYMENT OF 1963 BONDS. Until payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, moneys in the Depreciation Account established by the 1963 Ordinance shall be used first to replace, but not add, any capital assets of the System as may be necessary to comply with the 1963 Ordinance, and there shall be retained in the Depreciation Account, for use only to replace capital assets of the System, all the moneys on deposit in the Depreciation Account on the date of delivery of the Bond and the monthly deposits made into the Depreciation Account in compliance with the provisions of Section 3.02(B)(3) of the 1963 Ordinance, subject to withdrawals of such moneys as permitted by Section 3.02(B)(5) of the 1963 Ordinance, and the balance of moneys in the Depreciation Account shall next be used in the following order and priority:

(1) The Issuer shall first, before the end of each month, transfer from the Depreciation Account and remit to the West Virginia Municipal Bond Commission, formerly the State Sinking Fund Commission (the "Municipal Bond Commission"), for deposit into the "1972 Sinking Fund" established in the 1972 Ordinance, which is hereby continued with the Municipal Bond Commission for the equal benefit of the 1972 Bonds and the Bond, and which is hereby redesignated as the "Sinking Fund," 1/12th of the

amount required to pay the interest becoming due on the 1972 Bonds on the next interest payment date and, commencing with the month of January, 1973, 1/12th of the amount of principal maturing on the next Bond principal maturity date, and, not less than 30 days prior to the due date thereof, for payment to the National Finance Office designated in the Bond, the amount required to pay the interest on the Bond and to amortize the principal of the Bond over the life of the Bond issue, less any investment earnings on sums previously deposited in the Sinking Fund for the purpose of making payment on the Bond.

The Issuer shall also remit from the Depreciation Account to the Municipal Bond Commission, from time to time, such amounts as shall be required to pay the fiscal charges due to paying agents for paying the 1972 Bonds, the Bond and the interest thereon.

(2) The Issuer shall next, each month, transfer from the Depreciation Account and remit to the Municipal Bond Commission, for deposit into the 1972 Reserve Account established under the 1972 Ordinance, in the Sinking Fund, which 1972 Reserve Account is hereby continued for the equal benefit of the 1972 Bonds and the Bond, and which is redesignated the "Reserve Account," 1/12th of 1/10th of the maximum annual aggregate amount of interest and principal which will fall due on the 1972 Bonds outstanding and the Bond until the amount in the Reserve Account equals such maximum annual aggregate amount of interest and principal of the 1972 Bonds and the Bond. After such amounts have been accumulated in the Reserve Account, the Issuer shall monthly remit such part of the moneys remaining in the Depreciation Account, after such provision for payment of maturing principal of and interest on the 1972 Bonds and the Bond, as shall be required to maintain such amounts in the Reserve Account, and when such amounts have been accumulated in the Reserve Account all earnings of investments of moneys therein shall at least annually be transferred to and deposited in the Revenue Fund and used for ratable prepayment of principal of the 1972 Bonds and the Bond. Moneys in the Reserve Account shall be used solely to make up any deficiency in the payment of the principal of and interest on the Bond and 1972 Bonds as the same shall mature or for mandatory redemption of Bond and 1972 Bonds, as hereinafter provided and for no other purpose, all on a pro-rata basis as nearly as practicable.

C. PROCEDURE AS TO REVENUES AFTER PAYMENT OF 1963 BONDS. After payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, the Gross Revenues of the System shall be deposited in the Revenue Fund established by the 1963 Ordinance and hereby continued, and shall be disposed of only in the following order and priority:

(1) The Issuer shall first, each month, from the moneys in the Revenue Fund, pay or provide for payment of all current Operating Expenses.

(2) The Issuer shall next, before the end of each month with respect to the 1972 Bonds and not less than 30 days prior to the due date thereof with respect to the Bond, transfer from the Revenue Fund and remit to the Municipal Bond Commission, for deposit into the Sinking Fund, 1/12th of the amount required to pay the interest becoming due on the 1972 Bonds on the next interest payment date and 1/12th of the amount of principal maturing on the next 1972 Bond principal maturity date, and the amount required to be paid to the National Finance Office designated in the Bond to pay the interest on the Bond and to amortize the principal of the Bond over the life of the Bond issue, less any investment earnings on sums previously deposited in the Sinking Fund for the purpose of making payment on the Bond.

The Issuer shall also remit to the Municipal Bond Commission, from time to time, such amounts as shall be required to pay the fiscal charges due to paying agents for paying the 1972 Bonds and the Bond and the interest thereon.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and remit to the Municipal Bond Commission, for deposit into the Reserve Account 1/12th of 1/10th of the maximum annual aggregate amount of interest and principal which will fall due on the 1972 Bonds outstanding and the Bond until the amount in the Reserve Account equals such maximum annual aggregate amount of interest and principal on the 1972 Bonds and the Bond. After such amounts have been accumulated in the Reserve Account, the Issuer shall monthly remit to the Municipal Bond Commission such part of the moneys remaining in the Revenue Fund, after such provision for payment of maturing principal of and interest on the 1972 Bonds and the Bond, as shall be required to maintain such amounts in the Reserve Account, and when such amounts have been accumulated in the Reserve Account all earnings of

investments therein shall at least annually be transferred to and deposited in the Revenue Fund and used for ratable prepayment of principal of the 1972 Bonds and the Bond.

(4) The Issuer shall next, each month, transfer from the moneys remaining in the Revenue Fund for deposit in the Depreciation Reserve, established in the 1972 Ordinance and hereby continued, until there has been accumulated therein the sum of \$86,900 and thereafter, such sums as shall be required to maintain such amount therein. Moneys in the Depreciation Reserve shall be used first to make up any deficiencies in the Sinking Fund for payment of principal of and interest on the 1972 Bonds and for payment of principal and interest on the Bond as the same mature, and next to restore to the Reserve Account any sum or sums transferred therefrom to the Sinking Fund, all on a pro-rata basis as nearly as possible. Thereafter, and provided that payments into the Sinking Fund and the Reserve Account are current and in accordance with the foregoing provisions, moneys in the Depreciation Reserve may be withdrawn by the Issuer and used for extensions, replacements and improvements of the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund, as the case may be, have been fully complied with, any moneys remaining therein may be used to redeem the Bond and 1972 Bonds outstanding on a pro-rata basis as nearly as possible, or for any lawful purpose in connection with the System, the Municipal Bond Commission to handle redemption of the 1972 Bonds and the Bond upon instructions of the Issuer.

Whenever the moneys in the Sinking Fund and the Reserve Account therein shall be sufficient to purchase or redeem the 1972 Bonds outstanding and the Bond, it shall be the mandatory duty of the Issuer, anything to the contrary in this Ordinance notwithstanding, to purchase or redeem the outstanding 1972 Bonds and the Bond on a pro-rata basis as nearly as possible at the earliest practical date and in accordance with applicable provisions hereof and the 1972 Ordinance.

The aforesaid Municipal Bond Commission is hereby designated as the Fiscal Agent for the administration of the Sinking Fund, the Reserve Account and the Depreciation Reserve as herein provided, and all amounts required therefor will be deposited therein by the Issuer or remitted to the Municipal Bond Commission upon transfers of funds from the Depreciation Account or the Revenue

Fund at the times provided herein, together with written advice stating the amount remitted for deposit into each such Fund, Account and Reserve.

All the funds provided for in this Section shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the 1972 Bondholders and Purchaser shall have a lien thereon for further securing payment of the 1972 Bonds and the Bond and the interest thereon, which lien shall be junior and subordinate to the lien of the holders of the 1963 Bonds. The moneys in excess of the sum insured by FDIC in the Revenue Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, in a manner lawful for securing deposits of state and municipal funds under the laws of the State of West Virginia.

If on any payment date the revenues are insufficient to make the payments and transfers as hereinabove provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates.

The Fiscal Agent shall keep the moneys in the Sinking Fund, the Reserve Account and the Depreciation Reserve invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding 2 years. Earnings upon moneys in the Reserve Account, so long as the maximum required amounts are on deposit and maintained therein, shall be paid annually in January into the Revenue Fund by the Fiscal Agent.

D. DISPOSITION OF EXCESS MONEYS FOR 1963 BONDS. Upon payment or provision for payment in full of the 1963 Bonds and the coupons appertaining thereto, all moneys in the Sinking Fund and the Reserve Account therein established by the 1963 Ordinance, remaining after such full payment, shall be transferred to the Sinking Fund and applied to prepayment of the 1972 Bonds and the Bond, on a pro-rata basis as nearly as possible, and all moneys in the Depreciation Account shall be transferred to the Depreciation Reserve.

E. USER CONTRACTS. The Issuer shall, prior to delivery of the Bond, provide evidence that the System now serves at least 807 bona fide full time users in full compliance with the requirements and conditions of the Purchaser.

## ARTICLE IV

### GENERAL COVENANTS

Section 4.01. General Statement. So long as the Bond shall be outstanding and unpaid, or until there shall have been set apart in the Reserve Account a sum sufficient to prepay the entire principal of the Bond remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Purchaser.

Section 4.02. Rates. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to not less than the amounts required by the 1963 Ordinance, and in any event not less than 110% of the annual average debt service on the Bond and the 1972 Bonds and sufficient to make the payments required into the Sinking Fund, the Reserve Account and the Depreciation Reserve and into the funds and accounts herein, in the 1972 Ordinance and in the 1963 Ordinance provided, and sufficient all the necessary expenses of operating and maintaining the System during such Fiscal Year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System will not be sold without the prior written consent of the Purchaser so long as the Bond is outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 4.04. Issuance of Additional Parity Bonds. No additional parity bonds payable out of the revenues of the System shall be issued after the issuance of the Bond pursuant hereto except with the prior written consent of the Purchaser.

Section 4.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Bond remains outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(A) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF  
AND EXTENDED COVERAGE INSURANCE, to be procured upon

acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System in an amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

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

(C) VEHICULAR PUBLIC LIABILITY INSURANCE, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(D) WORKMEN'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF THE DISTRICT ELIGIBLE THEREFOR AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39. Worker's compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(E) FIDELITY BONDS will be provided as to every member of the Governing Body and as to every officer and

employee thereof having custody of the Revenue Fund or of any revenues or other funds of the Issuer in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of \$10,000 upon the Recorder, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned so long as checks thereon require the signature of a representative of the Purchaser.

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

Section 4.06. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of any monthly amortization installment due on the Bond at the date specified for payment thereof;

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

Section 4.07. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Purchaser may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by the Purchaser, such court may, upon proof of such default appoint a receiver for the affairs of the Issuer and the System. The receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers of the Issuer with respect to the System, shall proceed under the direction of the court to obtain authorization to increase rates and charges of the System, and shall have the power to collect

and receive all revenues and apply the same in such manner as the court may direct.

Section 4.08. Fiscal Year; Budget. While the Bond is outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a Fiscal Year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than thirty days prior to the beginning of each Fiscal Year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser by the beginning of each Fiscal Year.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any Fiscal Year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than ten per centum; and provided further that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser.

Section 4.09. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and on file with the Recorder on the date of adoption hereof, subject to permitted changes.

Section 4.10. Books and Records; Audits. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser.

Section 4.11. Maintenance of System. The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Bond is outstanding.

Section 4.12. No Competition. The Issuer will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Issuer or within the territory served by the System.

Section 4.13. Concerning Arbitrage. The proceeds of sale of the Bond will not be invested in such a way as to violate the regulations of the Internal Revenue Service or of the Treasury Department of the United States of America in connection with the arbitrage provisions of Section 103(c) of the Code, herein defined.

Section 4.14. Statutory Mortgage. For the further protection of the holder of the Bond, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, and which statutory mortgage lien is hereby recognized and declared to be for the equal benefit of the holders of 1972 Bonds and the Bond, but junior and subordinate to the statutory mortgage lien in favor of the holders of the 1963 Bonds.

Section 4.15. Industrial Development Bond Covenant. The Issuer shall not permit at any time or times any of the proceeds of the Bond or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bond from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1954, as from time to time amended, and the regulations and applicable rulings thereunder (the "Code"), by reason of the classification of the Bond as an "industrial development bond" within the meaning of Section 103(b) of the Code.

Less than 25% of the proceeds of the Bond are to be used, directly or indirectly, in any trade or business carried on by a person who is not an exempt person and less than 25% of the payment of principal or interest on the Bond, under the terms of the Bond or any underlying arrangement, is secured by any interest in property used or to be used in a trade or business or in payments in respect to such property, or to be derived from payments in respect of property, or borrowed money, used or to be used in a trade or business, all within the meaning of Section 103(b)(2) of the Code.

Section 4.16. Additional Special Covenants of Issuer. At the date of enactment of this Bond Legislation there is pending an act of the United States House of Representatives entitled "H.R. 3838". The United States Senate passed its version of H.R. 3838 on June 24, 1986. Additionally, the House and Senate conferees have agreed upon the tax overhaul bills. The foregoing acts and reform measures are herein collectively referred to as the "Tax Act". Certain provisions of the Tax Act relating to Section 103 of the Internal Revenue Code of 1954, as amended, are, by the terms of the Tax Act, to be effective as of January 1, 1986. In order to comply with the Tax Act, if applicable to the Issuer and the Bond, and therefore to maintain the exemption of the interest on the Bond from Federal income taxation, the Issuer hereby further covenants to take, and refrain from taking, and not fail to take, any and all such actions, under the Tax Act or any applicable successor or alternate legislation, or any part thereof, in order to maintain the tax-exempt status of the Bond and the interest thereon.

ARTICLE V

RATES, ETC.

Section 5.01. Initial Schedule of Rates and Charges; Rules. The initial schedule of rates and charges for the services and facilities of the waterworks portion of the System shall, subject to change consonant with the provisions hereof, be as provided in the Ordinance of the Issuer providing rates and charges enacted March 3, 1986, and now in full force and effect according to its terms which Ordinance is incorporated herein by reference as a part hereof.

The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without payment at the same time of a sewer bill owed by such customer for the same premises.

The fees, rates and charges above referred to will be increased whenever such increase is necessary in order to comply fully with all provisions hereof, and the Issuer shall always be obligated to and shall fix, establish and collect fees, rates and charges for the services and facilities of the System which shall at all times be sufficient to provide Net Revenues to meet its obligations hereunder and under the 1972 Ordinance and the 1963 Ordinance, but not less than 110% of the average annual debt service on the Bond and the 1972 Bonds after the 1963 Bonds have been paid.

## ARTICLE VI

### MISCELLANEOUS

Section 6.01. Modification or Amendment. No material modification or amendment of this Bond Legislation, or of any Bond Legislation amendatory hereof or supplemental hereto, may be made without the consent in writing of the Purchaser; provided, however, notwithstanding the foregoing, the Issuer hereby covenants to make any amendment or supplement to this Bond Legislation to enable the Bond to be issued in such form as to render the interest thereon exempt from Federal income taxation, without further consent of the Purchaser.

Section 6.02. Delivery of Bond No. R-1. The Mayor is hereby authorized and directed to cause Bond No. R-1, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 6.03. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Bond.

Section 6.04. Conflicting Provisions Repealed. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided that this Section shall not be applicable to the Loan Resolution (Form FmHA 442-47) nor to the 1972 Ordinance, except as otherwise provided herein, and to the 1963 Ordinance. Except as otherwise provided herein, this Bond Legislation shall be supplemental to the 1972 Ordinance.

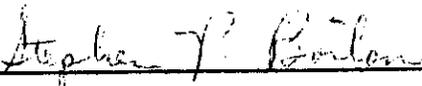
Section 6.05. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 6.06. Effective Time. This Bond Legislation shall take effect following public hearing hereon in accordance with the Act.

Section 6.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Bond Legislation, determined by the Governing Body to contain sufficient information to give notice of the contents hereof, shall be published once a week for 2 successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in The Glenville Democrat, a newspaper published and of general circulation in the boundaries of the Issuer, together with a notice stating that this Bond Legislation has been adopted, that the Issuer contemplates the issuance of the Bond, that any person interested may appear before the Governing Body upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and which shall not be prior to the last publication of said abstract and notice, and present protests, and that a certified copy of the Bond Legislation is on file with the Governing Body for review by interested parties during office hours of the Governing Body. At such hearing, all protests 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:	August 21, 1986
Passed on Second Reading:	August 28, 1986
Effective on Third and Final Reading:	September 15, 1986

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Recorder

09/11/86  
GLENV2-B

AMENDATORY ORDINANCE OF THE TOWN OF GLENVILLE

AN AMENDATORY ORDINANCE AMENDING AND SUPPLEMENTING THE  
ORDINANCE OF THE TOWN OF GLENVILLE ENTITLED:

ORDINANCE AUTHORIZING THE ACQUISITION AND  
CONSTRUCTION OF IMPROVEMENTS FOR THE WATERWORKS  
OF THE TOWN OF GLENVILLE, AND THE FINANCING OF  
THE COST THEREOF, NOT OTHERWISE PROVIDED,  
THROUGH THE ISSUANCE BY THE TOWN OF ITS \$348,000  
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE  
BOND, SERIES 1986, ON A PARITY WITH THE 1972  
BONDS OF THE TOWN BUT JUNIOR AND SUBORDINATE TO  
THE 1963 BONDS OF THE TOWN; PRESCRIBING THE  
TERMS AND PROVISIONS OF THE BOND; PROVIDING FOR  
THE RIGHTS, REMEDIES AND SECURITY OF THE  
BONDHOLDER; AND PROVIDING WHEN THIS ORDINANCE  
SHALL TAKE EFFECT

TO ENABLE THE BOND TO BE ISSUED IN SUCH FORM AS TO RENDER  
THE INTEREST THEREON EXEMPT FROM FEDERAL INCOME TAX AND ENACTING  
OTHER PROVISIONS WITH RESPECT TO THE BOND.

WHEREAS, the Common Council of the Town of Glenville, a  
municipal corporation and political subdivision of the State of  
West Virginia (the "Issuer"), did, on September 15, 1986, enact an  
Ordinance (the "Prior Ordinance") entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND  
CONSTRUCTION OF IMPROVEMENTS FOR THE WATERWORKS  
OF THE TOWN OF GLENVILLE, AND THE FINANCING OF  
THE COST THEREOF, NOT OTHERWISE PROVIDED,  
THROUGH THE ISSUANCE BY THE TOWN OF ITS \$348,000  
COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE  
BOND, SERIES 1986, ON A PARITY WITH THE 1972  
BONDS OF THE TOWN BUT JUNIOR AND SUBORDINATE TO  
THE 1963 BONDS OF THE TOWN; PRESCRIBING THE  
TERMS AND PROVISIONS OF THE BOND; PROVIDING FOR  
THE RIGHTS, REMEDIES AND SECURITY OF THE  
BONDHOLDER; AND PROVIDING WHEN THIS ORDINANCE  
SHALL TAKE EFFECT

which Prior Ordinance generally authorized the issuance of the Issuer's \$348,000 Combined Waterworks and Sewerage System Revenue Bond, Series 1986 (the "Bond");

WHEREAS, under the Prior Ordinance, the Issuer covenanted to make any amendment or supplement to the Prior Ordinance to enable the Bond to be issued in such form as to render the interest thereon exempt from Federal income taxation;

WHEREAS, such amendments and any other nonmaterial modifications or amendments to the Prior Ordinance are authorized without the consent of the United States Department of Agriculture, Farmers Home Administration, and any successor thereof (the "Purchaser");

WHEREAS, the Issuer now desires to issue the Bond, and, prior thereto, to make certain nonmaterial modifications or amendments to the Prior Ordinance and to make certain amendments or supplements thereto so as to render the interest thereon exempt from Federal income taxation;

WHEREAS, the Issuer has determined that the contemplated amendments to the Prior Ordinance are not material and are necessary to enable the Bond to be issued in such form as to render the interest thereon exempt from Federal income taxation;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE COMMON COUNCIL OF THE TOWN OF GLENVILLE, WEST VIRGINIA:

Section 1. Pursuant to the Prior Ordinance, the Act and the other applicable provisions of law, this Amendatory Ordinance is enacted.

Section 2. Section 1.02 of the Prior Ordinance, entitled "Findings and Determinations," is hereby amended by adding the following findings:

J. The Issuer has complied with all requirements of law relating to authorization of the acquisition and construction of the Project, the operation of the System and the issuance of the Bond, including, among other things, the consent and approval of the Project by the Public Service Commission of the State of West Virginia by

final order, the time for rehearing and appeal of which having expired.

K. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and System, 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)(C) 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 during the calendar year in which the Bond is to be issued.

Section 3. Section 1.04 of the Prior Ordinance, entitled "Definitions," is hereby amended by adding the following definitions:

"Closing Date" means the date upon which there is an exchange of the Bond for the proceeds representing the purchase of the Bond by the Purchaser, as the first purchaser of the Bond from the Issuer.

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

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bond during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Gross Proceeds" means the sum of the following amounts:

(i) Original proceeds, namely, net amounts received by or for the Issuer as a result of the sale of the Bond, excluding original proceeds which become transferred proceeds (determined in accordance with applicable Regulations) of obligations issued to refund in whole or in part the Bond;

(ii) Investment proceeds, namely, amounts received at any time by or for the Issuer, such as interest and dividends, resulting from the investment of any original proceeds (as

referenced in clause (i) above) or investment proceeds (as referenced in this clause (ii)) in Nonpurpose Investments, increased by any profits and decreased (if necessary, below zero) by any losses on such investments, excluding investment proceeds which become transferred proceeds (determined in accordance with applicable Regulations) of obligations issued to refund in whole or in part the Bond;

(iii) Transferred proceeds, namely, original proceeds of any prior obligations, and interest earnings and profits less losses resulting from investment of such original proceeds in Nonpurpose Investments, which are deemed to become proceeds of the Bond ratably as original proceeds of the Bond, and interest earnings and profits resulting from investment of such original proceeds in Nonpurpose Investments, discharge the outstanding principal of such prior obligations, all on the date of such ratable discharge;

(iv) Sinking fund proceeds, namely, amounts, other than original proceeds, investment proceeds or transferred proceeds (as referenced in clauses (i) through (iii) above) of the Bond, which are held in any fund to the extent that the Issuer reasonably expects to use such fund to pay Debt Service on the Bond;

(v) Amounts in the Reserve Account and in any other fund established as a reasonably required reserve or replacement fund, with respect to the Bond;

(vi) Investment Property pledged as security for payment of Debt Service on the Bond by the Issuer;

(vii) Amounts, other than as specified in this definition, used to pay Debt Service on the Bond; and

(viii) Amounts received as a result of investing amounts described in this definition.

"Investment Property" means any security (as said term is defined in Section 165(g)(2)(A) or (B) of the

Code), obligation, annuity contract or investment-type property, excluding, however, obligations the interest on which is excluded from gross income, under Section 103 of the Code, for Federal income tax purposes.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the Gross Proceeds of the Bond and is not acquired in order to carry out the governmental purpose of the Bond.

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

"Purchase Price," for the purpose of computation of the Yield of the Bond, has the same meaning as the term "issue price" in Sections 1273(b) and 1274 of the Code, and, in general, means the initial offering price of the Bond to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of the Bond of each maturity is sold or, if the Bond is privately placed, the price paid by the first buyer of the Bond or the acquisition cost of the first buyer.

"Regulations" means temporary and permanent regulations promulgated under the Code.

"Yield" means that yield which, when used in computing the present worth of all payments of principal and interest on the Bond, produces an amount equal to the Purchase Price of the Bond, all computed as prescribed in applicable Regulations.

Section 4. Section 2.02 of the Prior Ordinance, entitled "Negotiability, Registration, Transfer and Exchange of Bonds," is hereby amended to read as follows, with all new language underlined:

Section 2.03. Negotiability, Registration, Transfer and Exchange of Bonds. The Bond shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the Bond, and the right to principal of and stated interest on the Bond, may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 2.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized in writing, upon surrender of the Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Issuer. No interest in the Bond shall be transferable except by means of transfer of registration of a Bond representing such interest and delivery of a new Bond or Bonds in exchange therefor in accordance with this Bond Legislation.

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

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

Section 5. Section 2.04 of the Prior Ordinance, entitled "Registrar," is hereby amended to read as follows, with all new language underlined:

Section 2.04. Registrar. The Issuer will keep or cause to be kept at its office by its agent, sufficient books for the registration and transfer of the Bond, and,

upon presentation for such purpose, the Issuer shall, under such reasonable regulations as it may prescribe, register the Bond initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of the Bond as hereinbefore provided.

The Issuer shall accept the Bond for registration or transfer only if ownership thereof is to be registered in the name of an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust, and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law.

Section 6. The Prior Ordinance is hereby amended by deleting the requirement that there be a registration page attached to the Bond and Bond form, as set forth on page 16 of the Prior Ordinance, and the twelfth paragraph of the Bond form set forth in the Prior Ordinance and the Bond is hereby amended to read as follows, with all new language underlined:

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Article 20 of Chapter 8 of the West Virginia Code (herein called the "Act"), and with an Ordinance and Amendatory Ordinance of the Borrower duly enacted (collectively, the "Bond Legislation").

Section 7. Section 3.01 of the Prior Ordinance, entitled "Bond Proceeds; Project Construction Account," is hereby amended to read as follows, with all deleted language struck out and all new language underlined:

Section 3.01. Bond Proceeds; Project Construction Account. The proceeds of sale of the Bond shall be deposited on receipt by the Issuer in the Kanawha Union Bank, Glenville, West Virginia, a member of Federal Deposit Insurance Corporation (the "FDIC"), in a special and separate account hereby created and designated as the "Town of Glenville Project Construction Account" (herein called "Project Construction Account"). The moneys in the Project Construction Account in excess of the amount

insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of state and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Amounts in the Project Construction Account shall be disbursed for costs and expenses of the Project upon filing in the official records pertaining to such account of a certificate of the Issuer describing such disbursement, setting forth the portion, if any, of the Net Proceeds of the Bond to be used for a Private Business Use or to make or finance a loan (other than a loan constituting a Nonpurpose Investment) to other than a state or local governmental unit and certifying that there has been compliance with the provisions of Section 4.15 hereof relating to the Private Business Use limitation and the private loan limitation. Amounts, if any, remaining in the Project Construction Account shall, upon receipt from the Issuer of a certificate certifying that no further amounts are required to be disbursed for costs and expenses of the Project, be invested at a Yield not in excess of the Yield of the Bond and shall be transferred and used for redemption of the Bond on the interest payment date next succeeding and the Project Construction Account shall be closed.

Until completion of acquisition and construction of the Project, the Issuer will transfer from the Project Construction Account and pay to the Government on or before the 15th day of each month, such sums as shall be from time to time required to make the monthly installment payments on the Bond if there are not sufficient revenues to make such monthly payment.

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

If Subject to the requirements set forth in Section 4.13 hereof, if the Issuer shall determine at any time that all funds on deposit in the Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the Issuer may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, which shall mature not later

than eighteen months after the date of such investment. All such investments and the income thereon shall be carried to the credit of the Project Construction Account.

When acquisition and construction of the Project has been completed and all costs thereon have been paid or provision for such payments has been made, any balance remaining in the Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 8. Section 3.02B(1) of the Prior Ordinance, entitled "Covenants of the Issuer as to Revenues and Funds," is hereby amended by inserting the language "1972" before the word "Bond" in line 4 thereof on page 19 thereof and the last paragraph of Section 3.02 is hereby amended to read as follows, with all new language underlined:

The Subject to the requirements of Section 4.13 hereof, the Fiscal Agent shall keep the moneys in the Sinking Fund, the Reserve Account and the Depreciation Reserve invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding 2 years. Earnings upon moneys in the Reserve Account, so long as the maximum required amounts are on deposit and maintained therein, shall be paid annually in January into the Revenue Fund by the Fiscal Agent. Investments in any fund or account under this Bond Legislation shall, unless otherwise provided herein or required by law, be valued at the lower of the cost or the then current market value, or at the redemption price thereof if redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount. 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 interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund, subject to transfer as herein provided.

Section 9. Section 4.10 of the Prior Ordinance, entitled "Books and Records; Audits," is hereby amended to read as follows, with all new language underlined:

Section 4.10. Books and Records; Audits. The Issuer will keep books and records of the System, which shall be

separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser. The Issuer will further comply with the Act with respect to such books, records and accounts of the System.

Section 10. Section 4.13 of the Prior Ordinance, entitled "Concerning Arbitrage," is hereby amended to read as follows, by deleting the entire existing Section 4.13 and replacing it with the following new language:

Section 4.13. Arbitrage and Rebate. A. The Issuer shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Bond which would cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and Regulations promulgated thereunder.

B. In accordance with Section 148(f)(4)(C) of the Code, the Issuer covenants that it is a governmental unit with general taxing powers; that the Bond is not a private activity bond as defined in Section 141 of the Code; that 95% or more of the Net Proceeds of the Bond 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 as defined in Section 141 of the Code) issued by the Issuer during the calendar year in which the Bond is issued will not exceed \$5,000,000, determined in accordance with Section 148(f)(4)(C) of the Code and the Regulations promulgated thereunder. For purposes of this Section 4.13B and for purposes of applying Section 148(f)(4)(C) 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 subordinate entity shall, for purposes of applying this Section 4.13B and Section 148(f)(4)(C) of the Code to any 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)(C) of the Code and all other entities benefiting thereby shall be treated as one issuer.

C. Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, the Issuer covenants to make all rebate calculations and payments in the time, manner and as required in Section 148(f) of the Code and covenants to otherwise comply with the provisions thereof. In the event of a failure to pay any such amount, the Issuer will pay to the United States a penalty in an amount equal to the sum of 50% of the amount not paid, plus interest at the required rate on the portion of the amount which was not paid on the required date, beginning on such date, unless waived.

Section 11. Section 4.15 of the Prior Ordinance, entitled "Industrial Development Bond Covenant," is hereby amended to read as follows, by deleting the entire existing Section 4.15 and replacing it with the following new language:

Section 4.15. 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 Bond is 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 Bond during the term thereof is, under the terms of the Bond 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 Bond 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 Bond during the term thereof is, under the terms of the Bond 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 Bond 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 Bond is for the purpose of financing more than one project, a portion of the Project and shall not exceed the proceeds used for the governmental use of the portion of the Project to which such Private Use is related. All of the foregoing shall be determined in accordance with the Code.

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

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

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the exclusion from gross income of the interest on the Bond for federal tax purposes, including without limitation, the information return required under Section 149(e) of the Code.

E. ADDITIONAL ACTION. The Issuer will take all actions that may be required of it so that the interest on the Bond will be and remain excluded from gross income for federal income tax purposes, and will not take any actions or fail to take any actions which would adversely affect such exclusion.

Section 12. The second paragraph of Section 5.01 of the Prior Ordinance, entitled "Initial Schedule of Rates and Charges; Rules," is hereby amended to read as follows, with all new language underlined:

The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without

payment at the same time of a sewer bill owed by such customer for the same premises. The Issuer shall further have all rights, remedies and powers provided under the Act and such other applicable provisions of law with respect to such rates and charges and the collection thereof.

Section 13. Section 6.01 of the Prior Ordinance, entitled "Modification or Amendment," is hereby amended to read as follows, with all deleted language struck out and new language underlined:

Section 6.01. Modification or Amendment. After issuance of the Bond, no material modification or amendment of this Bond Legislation, or of any Bond Legislation amendatory hereof or supplemental hereto, may be made without the consent in writing of the Purchaser/ provided, // however, // notwithstanding // the // foregoing // the Issuer // hereby // dovedants // to // make // any // amendment // or supplement // to // this // Bond // Legislation // to // enable // the // Bond // to be // issued // in // such // form // as // to // enable // the // interest // thereon exempt // from // Federal // income // taxation // without // further consent // of // the // Purchaser //, except that no consent from the Purchaser shall be required to make such additions, deletions or modifications as may be necessary to assure the exemption from Federal income taxation of interest on the Bond.

Section 14. The Mayor and Recorder are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bond hereby and by the Prior Ordinance approved and provided for, to the end that the Bond may be delivered to the Purchaser as soon after the enactment hereof as feasible.

Section 15. It is hereby found and determined that the foregoing amendments of the Prior Ordinance are not material, are necessary to enable the Bond to be issued in such form as to render the interest thereon exempt from Federal income taxation and require no consent of the Purchaser or otherwise.

Section 16. If any paragraph, clause, section or provision of this Amendatory Ordinance shall be held invalid, such invalidity shall not affect any of the remaining provisions of this Amendatory Ordinance.

Section 17. Except as expressly amended, modified or altered hereby, the Prior Ordinance shall continue and remain in full force and effect as enacted, and the Prior Ordinance, to the extent not amended, modified or altered by this Amendatory

Ordinance, and all actions heretofore taken pursuant to the Prior Ordinance are hereby ratified, approved and confirmed.

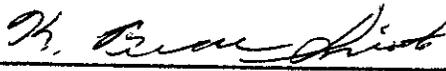
Section 18. This Amendatory Ordinance shall take effect immediately following public hearing hereon in accordance with the Act, is amendatory of and supplemental to the Prior Ordinance and shall be read together with the Prior Ordinance. In consideration of the acceptance of the Bond by the Purchaser, this Amendatory Ordinance shall be deemed to be and constitute part of the contract between the Issuer and such Purchaser.

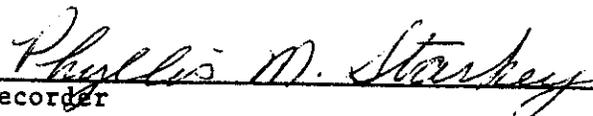
Section 19. Upon adoption hereof, an abstract of this Amendatory Ordinance, determined by the Common Council of the Issuer to contain sufficient information to give notice of the contents hereof, shall be published once a week for 2 successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in The Glenville Democrat, a newspaper published and of general circulation in the boundaries of the Issuer, together with a notice stating that this Amendatory Ordinance has been adopted, that the Issuer contemplates the issuance of the Bond, that any person interested may appear before the Common Council of the Issuer upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and which shall not be prior to the last publication of said abstract and notice, and present protests, and that a certified copy of the Amendatory Ordinance is on file with the Common Council of the Issuer for review by interested parties during office hours of the Common Council of the Issuer. At such hearing, all protests and suggestions shall be heard and the Common Council of the Issuer shall take such action as it shall deem proper in the premises.

Passed on first reading: December 28, 1987

Passed on second reading: January 4, 1988

Effective on Third and  
Final Reading: January 19, 1988

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Recorder

01/15/88  
GLENV2-C

PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

FINAL

8-26-97

Entered: August 6, 1997

CASE NO. 97-0404-S-CN

CITY OF GLENVILLE, a municipal corporation, Glenville, Gilmer County.

Application for a certificate of convenience and necessity to make certain improvements to its sewer collection system.

RECOMMENDED DECISION

On April 10, 1997, the City of Glenville (City), a municipal corporation, filed an application for a certificate of convenience and necessity to make improvements to its sewer collection system to check excessive inflow and infiltration and to prevent the frequent direct discharge of raw sewage into the Little Kanawha River. The City of Glenville proposes to achieve these improvements by: upgrading or replacing all lift stations; installing new check valves on all bypass pipes or removing bypass pipes; replacing collection lines on Third and Charles Streets and Whiting Avenue; replacing interceptor collection lines on Walnut Street and Little Kanawha River; and installing a belt press at the treatment plant site.

By Notice of Filing Order issued on April 11, 1997, the City was directed to give notice of the filing of its application by publishing a copy of said order one time in a newspaper published and generally circulated in Gilmer County, making due return to the Commission of proof of proper publication. The notice also provided that anyone desiring to object to the application could do so by filing a written protest with the Commission within thirty (30) days of the date of publication. If no protests are filed within the thirty-day protest period, the Commission may grant the application based upon the information filed therewith.

By Order dated May 5, 1997, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before November 26, 1997.

On August 1, 1997, the Final Joint Staff Memorandum was filed by Staff Attorney Ronald E. Robertson, Jr., to which was attached the Further Final Internal Memorandum of Audra L. Blackwell, Technical Analyst-In-Training, and Robert M. Hubbard, Senior Utilities Analyst, both of the Water and

Wastewater Division. Mr. Robertson indicated that the City had published the Notice of Filing on April 17, 1997, pursuant to West Virginia Code §24-2-11, and there had been no protests to the filing within the statutory thirty-day protest period. Staff recommended that the City's certificate application be approved and that the hearing scheduled in this matter for August 20, 1997, be cancelled.

The estimated cost of the project is approximately \$3,100,000, and is approximately 53% grant funded by a Small Cities Block Grant in the amount of \$1,250,000, and a United States Rural Development Authority Grant in the amount of \$400,000, for grant funding of \$1,650,000. In addition, there is a Rural Utility Service loan in the amount of \$1,450,000 at an interest rate of 4.5%, to be paid over a period of 40 years. The payments due for the first 24 months will consist of interest only. The loan will then be equally amortized over a period of 456 months at a monthly payment of \$6,656, resulting in an annual debt service of approximately \$79,872, which will require an additional debt service reserve of approximately \$7,992 per annum. The additional revenue to be generated by the City's current tariff, which became effective July 1, 1997, will be sufficient to absorb the increases in a new debt service obligation.

According to Staff, the project is necessary because this area must meet the State and Federal Water Pollution Control Laws, and the proposed wastewater collection and treatment system will eliminate threats to health and improve the living conditions of the residents. The plans and specifications for this project are in conformance with the Commission's rules and regulations and the proposed project is convenient, since it does not financially burden the District or its customers.

Staff recommended that the certificate of convenience and necessity to construct the proposed project be granted, pursuant to West Virginia Code §§16-13A-25 and 24-2-11, and that, pursuant to West Virginia Code §16-13A-24, the grants and borrowing to finance the project, not to exceed \$3,100,000, be approved. Staff further recommended that the City petition the Commission for consent and approval prior to accepting any additional grants or incurring additional indebtedness connected with this project. Further, if contingency funds are proposed to be expended for purposes other than those within the scope of the project, the City must petition the Commission for approval of said expenditures.

On August 4, 1997, the City of Glenville filed an affidavit of publication verifying that the Notice of Filing was published on April 17 and 24, 1997, in The Glenville Democrat, a newspaper of general circulation in Gilmer County. No protests have been filed.

#### FINDINGS OF FACT

1. On April 10, 1997, the City of Glenville, a municipal corporation, filed an application for a certificate of convenience and necessity to make certain improvements to its sewer collection system to check excessive inflow and infiltration and prevent the frequent direct discharge of raw sewage into the Little Kanawha River. (See, application).

2. The approximate total cost of the project is \$3,100,000, which is 53% grant funded by a Small Cities Block Grant in the amount of \$1,250,000, and a United States Rural Development Authority Grant in the amount of \$400,000 and a Rural Utilities Service Loan in the amount of \$1,450,000. (See, Final Joint Staff Memorandum filed August 1, 1997).

3. By Order dated April 11, 1997, the Applicant was required to give notice of the filing of the application in accordance with West Virginia Code §24-2-11. The notice of filing provided that anyone who wished to make protest to the application must do so, in writing, within thirty days of the date of publication. (See, Order dated April 11, 1997).

4. The affidavit of publication was submitted on August 4, 1997, indicating that publication was made in accordance with the Commission's requirements in Gilmer County, with the latest date of publication being April 24, 1997. No protest was received within the statutory thirty-day protest period. (See, affidavit submitted August 4, 1997, and case file generally).

5. Commission Staff recommended approval of the application since proper publication was made, in accordance with the Commission's requirements and no protests were received to the application, and since the project will eliminate numerous problems and shortcomings with the City's existing sewer system. (See, Final Joint Staff Memorandum filed August 1, 1997).

6. The City has been granted the necessary permit from the West Virginia Office of Environmental Health Services and has been granted a WV/NPDES Permit. (See, Final Joint Staff Memorandum filed August 1, 1997).

#### CONCLUSIONS OF LAW

The Administrative Law Judge is of the opinion and finds that:

1. Public convenience and necessity require the proposed project.
2. The proposed financing is reasonable and should be approved.

#### ORDER

IT IS, THEREFORE, ORDERED that the City of Glenville's application for a certificate of convenience and necessity to make improvements to the sewer collection system, filed on April 10, 1997, be, and the same hereby is, granted.

IT IS FURTHER ORDERED that the proposed financing, consisting of a Small Cities Block Grant in the amount of \$1,250,000; a United States Rural Development Authority Grant in the amount of \$400,000; and a Rural Utility Service loan in the amount of \$1,450,000, at an interest rate of 4.5% and a term of forty (40) years, be, and the same hereby is, approved.

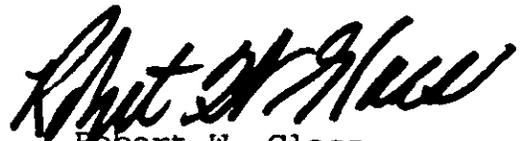
IT IS FURTHER ORDERED that, if there are any changes to the cost, funding or scope of the project, the District petition the Commission for consent and approval for such changes prior to construction.

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

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

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

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.



Robert W. Glass  
Administrative Law Judge

RWG:pst



CITY OF GLENVILLE

Combined Waterworks and Sewerage System  
Revenue Bonds, Series 1998  
(United States Department of Agriculture)

RECEIPT FOR BOND AND TRANSCRIPT

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

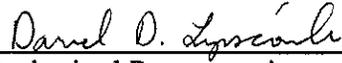
1. On the 21st day of October, 1998, at Glenville, West Virginia, the undersigned received for the Purchaser the single, fully registered City of Glenville Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture), No. R-1 (the "Bonds"), in the principal amount of \$1,450,000, dated the date hereof, bearing interest at the rate of 4.5% per annum, payable in monthly installments as stated in the Bonds. The Bonds represent the entire above-captioned Bond issue.

2. At the time of such receipt, the Bonds had been executed and sealed by the designated officials of the City of Glenville (the "Issuer").

3. At the time of such receipt, there was paid to the Issuer the sum of \$180,000, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be paid to the Issuer as acquisition and construction of the Project progresses.

4. At the time of such receipt, the undersigned also received three sets of bond transcript documents.

WITNESS my signature on this 21st day of October, 1998.

  
\_\_\_\_\_  
Authorized Representative

10/05/98  
333300/97001



(SPECIMEN BOND)

CITY OF GLENVILLE

COMBINED WATERWORKS AND SEWERAGE SYSTEM  
REVENUE BOND, SERIES 1998  
(UNITED STATES DEPARTMENT OF AGRICULTURE)

\$1,450,000

No. R-1

Date: October 21, 1998

FOR VALUE RECEIVED, the CITY OF GLENVILLE (herein called "Borrower") promises to pay to the order of the United States of America (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of ONE MILLION FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$1,450,000), plus interest on the unpaid principal balance at the rate of 4.5% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof, and \$6,656, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 40 years from the date of this Bond, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the

regulations of the Government according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of acquisition and construction of additions, betterments and improvements to the combined waterworks and sewerage system (the "System") of the Borrower, is payable solely from and secured by net revenues to be derived from the operation of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation, nor shall the Borrower be obligated to pay the same or the interest thereon except from the special fund so provided.

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

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

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 8, Article 20 of the West Virginia Code, as amended (the "Act"), and an Ordinance of the Borrower duly enacted on October 19, 1998, authorizing issuance of this Bond (the "Ordinance").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

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

**THIS BOND IS ISSUED JUNIOR AND SUBORDINATE AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, TO THE SERIES 1963 BONDS AND ON A PARITY AS TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, WITH THE SERIES 1972 BONDS AND THE SERIES 1986 BONDS, ALL AS DEFINED AND DESCRIBED IN THE ORDINANCE.**

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

CITY OF GLENVILLE

[CORPORATE SEAL]

\_\_\_\_\_  
Mayor

20 North Court Street  
Glennville, West Virginia 26351

ATTEST:

\_\_\_\_\_  
Recorder



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, 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

BANK ONE CENTER

SIXTH FLOOR

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

FACSIMILE (304) 624-8183

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

October 21, 1998

City of Glenville

\$1,450,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

City of Glenville  
Glenville, West Virginia

United States Department of Agriculture  
Morgantown, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Glenville, in Gilmer County, West Virginia (the "Issuer"), of its \$1,450,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture), dated the date hereof (the "Bonds"), pursuant to Chapter 8, Article 20, of the West Virginia Code of 1931, as amended (the "Act"), and an ordinance of the Issuer duly enacted on October 19, 1998 (the "Ordinance"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Ordinance and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

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

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

3. Pursuant to the Act, the Ordinance creates a valid lien on the funds pledged by the Ordinance for the security of the Bonds, junior and subordinate to the Issuer's Combined Waterworks and Sewerage Revenue Bonds, dated June 1, 1963, issued in the original aggregate principal amount of \$625,000, and on a parity with the Issuer's Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, dated November 7, 1973, issued in the original aggregate principal amount of \$325,000, and Combined Waterworks and Sewerage System Revenue Bonds, Series 1986, dated January 19, 1988, issued in the original aggregate principal amount of \$348,000, and subject to no prior lien granted under the Act.

4. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from the sources provided therefor in the Ordinance.

5. The Bonds have not been issued on the basis that the interest thereon is or will be excluded from gross income for federal income tax purposes; therefore, the interest on the Bonds is not excluded from gross income for federal income tax purposes. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. 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 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 Ordinance and the liens and pledges set forth therein may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

*Stephoe & Johnson*

STEPHOE & JOHNSON



**BUTCHER & BUTCHER**

ATTORNEYS AT LAW  
218 EAST MAIN STREET  
POST OFFICE BOX 100  
GLENVILLE, WEST VIRGINIA 26351

R. TERRY BUTCHER  
TIMOTHY B. BUTCHER  
DAVID M. KARICKHOFF

TELEPHONE  
482-5787  
AREA CODE 304

October 21, 1998

City of Glenville  
\$1,450,000 Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

City of Glenville  
Glenville, West Virginia

United States Department of Agriculture  
Morgantown, West Virginia

Steptoe & Johnson  
Clarksburg, West Virginia

Ladies and Gentlemen:

We have served as Counsel to the City of Glenville, a municipal corporation, in Gilmer County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson, as bond counsel, an ordinance of the Issuer finally enacted October 19, 1998 (the "Ordinance"), other documents and papers relating to the Issuer and the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used in the Ordinance and not otherwise defined herein shall have the same meanings set forth in the Ordinance when used herein.

We are of the opinion that:

1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia.

2. The Mayor, Recorder and members of the Council of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

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

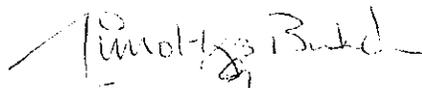
4. The execution and delivery of the Bonds and the consummation of the transactions contemplated by the Bonds and the Ordinance, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under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

5. All applicable and necessary permits, licenses, approvals, consents, certificates, orders, exemptions and authorizations required by law 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 have been entered and/or received, including, without limitation, all requisite orders, certificates, consents and approvals from the Public Service Commission of West Virginia, and the Issuer has duly taken any other action required for the imposition of such rates and charges, including, without limitation, the due enactment of an ordinance prescribing such rates and charges, the time for appeal of which has expired prior to the date hereof without appeal.

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

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

Very truly yours,



BUTCHER & BUTCHER

10/05/98  
333300/97001



CITY OF GLENVILLE

Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

COMBINED CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned MAYOR and RECORDER of the City of Glenville, in Gilmer County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, acting for the Issuer and in its name, hereby state and certify in connection with the City of Glenville Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture), No. R-1, dated the date hereof, fully registered, in the principal amount of \$1,450,000, and bearing interest at the rate of 4.5% per annum (the "Bonds"), as follows:

1. AUTHORIZATION AND AWARD OF BOND: The undersigned are authorized to execute this certificate on behalf of the Issuer and are knowledgeable with respect to the matters set forth herein. The entire issue of the Bonds has been duly awarded to the United States of America, acting by the United States Department of Agriculture, Rural Utilities Service (the "Purchaser"), pursuant to a Letter of Conditions from the Purchaser, as amended, and as appears in Section 7.03 of the Ordinance of the Issuer duly enacted on October 19, 1998, authorizing issuance of the Bonds (the "Ordinance" or "Bond Ordinance"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning as defined in the Bond Ordinance when used herein. The Bonds are being issued

on this date to finance a portion of the cost of the acquisition and construction of the System, herein defined and described, located within the boundaries of the Issuer.

2. **NO LITIGATION:** No controversy or litigation of any nature is now pending, or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the issuance and delivery of the Bonds or receipt of any grant moneys, if any, committed for the System, hereinafter defined; nor questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds; nor in any way questioning or affecting the validity of the grants, if any, committed for the System or the validity of the Bonds or any provisions made or authorized for the payment thereof, including, without limitation, the pledge or application of any moneys or security therefor; nor questioning the existence, powers or proceedings of the Issuer or the Council of the Issuer (the "Governing Body") or the title of the members and officers thereof to their respective offices; nor questioning the acquisition and construction of the Project or the operation of the System, a portion of the cost of which is being financed out of the proceeds of sale of the Bonds; nor questioning the rates and charges provided for services of the System.

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

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

There are outstanding obligations of the Issuer which will be senior and prior to the Series 1998 Bonds as to liens, pledge and source of and security for payment, being the Combined Waterworks and Sewerage Revenue Bonds, dated June 1, 1963, issued in the original aggregate principal amount of \$625,000 (the "Series 1963 Bonds"), which are held by members of the public. There are outstanding obligations of the Issuer which will be on a parity with the Series 1998 Bonds as to liens, pledge and source of and security for payment, being the Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, dated November 7, 1973, issued in the original aggregate principal amount of \$325,000 (the "Series 1972 Bonds") and the Combined Waterworks and Sewerage System Revenue Bonds, Series 1986, dated January 19, 1988, issued in the original aggregate principal amount of \$348,000 (the "Series 1986 Bonds"), which are both held by the Purchaser (as hereinafter defined). The Series 1963 Bonds, the Series 1972 Bonds and the Series 1986 Bonds are hereinafter called the "Prior Bonds". There are no other outstanding

bonds or obligations of the Issuer which will rank prior to or on a parity with the Series 1998 Bonds as to liens, pledge and source of and security for payment. The Issuer is not in default under the terms of the Prior Bonds, the ordinances authorizing the Prior Bonds or any document in connection therewith.

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

6. 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

1963 Bond Ordinance

1972 Bond Ordinance

1986 Bond Ordinance

Public Service Commission Order

City Charter

Oaths of Office of Officers and Councilmembers

Ordinance Creating Utility Commission

Sewer Rate Ordinance and Water Rate Ordinance

Affidavits of Publication of Notice of Public Hearing on Rate Ordinances

Minutes on Adoption and Enactment of Rate Ordinances

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

Minutes on Adoption and Enactment of Bond Ordinance

USDA Letter of Conditions and Closing Instructions

USDA Grant Agreement

Evidence of Small Cities Block Grant

USDA Consent to Issuance of Parity Bond

NPDES Permit

The undersigned Mayor hereby covenants that he has or will file tariffs pursuant to the Final Order of the Public Service Commission when the completion date of the Project is definitely known, or has or will cause such tariffs to be filed in accordance with said order or as otherwise required by law.

7. **INCUMBENCY AND OFFICIAL NAME, ETC.:** The proper corporate title of the Issuer is "City of Glenville." The Issuer is a municipal corporation and political subdivision of the State of West Virginia, in Gilmer County of said State. 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, whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>		<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
Joe Putnam	- Mayor	July 1, 1997	June 30, 1999
Cathy Nolan	- Recorder	July 1, 1997	June 30, 1999
Dennis T. Fitzpatrick	- Councilmember	July 1, 1997	June 30, 1999
Barbara Kay Miller	- Councilmember	July 1, 1997	June 30, 1999
William J. Grottendieck, III	- Councilmember	July 1, 1997	June 30, 1999
Garry Kight	- Councilmember	July 1, 1997	June 30, 1999
Pamela C. Cutlip	- Councilmember	July 1, 1997	June 30, 1999

The duly appointed and acting Attorney for the Issuer is Butcher & Butcher of Glenville, West Virginia.

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

At the time of delivery of the Bonds, the amount of \$180,000 was received by the undersigned Mayor, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be paid to the Issuer as acquisition and construction of the Project progresses.

The Bonds are dated the date hereof, and interest on advances thereon at the rate of 4.5% per annum is payable from the date of each respective advance.

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

9. **LAND AND RIGHTS-OF-WAY:** All land in fee simple and all rights-of-way and easements necessary for the acquisition, construction, operation and maintenance of the Project and 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.

10. **MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.:** All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at 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 official 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.

11. **CONTRACTORS' INSURANCE, ETC.:** All contractors will be required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Letter of Conditions and Commitment of the Purchaser, as amended, and the Ordinance.

12. **CONNECTIONS, ETC.:** The Issuer has provided evidence that there will be at least 704 bona fide users to be served by the System upon the completion of the Project, in full compliance with the requirements and conditions of the Purchaser.

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

14. **PUBLICATION AND NO PROTEST:** Notice of public hearing upon the Bond Ordinance finally enacted October 19, 1998, was duly published as required by law.

There was not any protest to the passage of the Bond Ordinance, oral or written, and the Bond Ordinance became fully effective on October 19, 1998, following such public hearing, and remains in full force and effect.

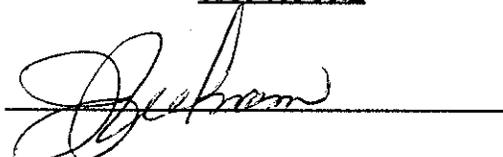
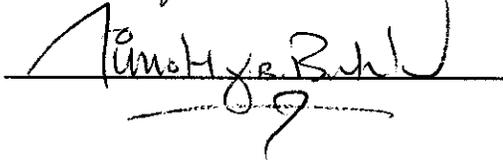
15. **RATE FILING WITH PSC:** Pursuant to West Virginia Code Section 24-2-4b, the Issuer has filed the rates and rules contained in the Rate Ordinance authorizing such rates and rules with the Public Service Commission of West Virginia.

16. **GRANTS:** As of the date hereof, the grant from the Purchaser in the amount of \$400,000 and the grant from the United States Department of Housing and Urban Development (Small Cities Block Grant through the State of West Virginia) in the amount of \$1,250,000, are committed and in full force and effect.

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

WITNESS our signatures and the official corporate seal of the CITY OF GLENVILLE on this 21st day of October, 1998.

[CORPORATE SEAL]

<u>SIGNATURE</u>	<u>OFFICIAL TITLE</u>
 _____	Mayor
 _____	Recorder
 _____	Attorney for Issuer

10/05/98  
333300/97001



CITY OF GLENNVILLE

Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

ENGINEER'S CERTIFICATE

I, Phillip Keyes, Registered Professional Engineer, West Virginia License No. 013187, of Woolpert Consultants, Consulting Engineers, in Charleston, West Virginia, hereby certify that my firm is engineer for the acquisition and construction of additions, betterments and improvements to the sewerage portion (the "Project") of the existing combined waterworks and sewerage system ("System") of the City of Glenville (the "Issuer") to be acquired and constructed in Gilmer County, West Virginia, which acquisition and construction are being financed in whole or in part by the above-captioned bonds of the Issuer.

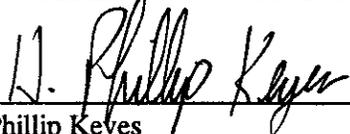
I further certify that the Project will, to the best of my knowledge, be constructed in accordance with plans and specifications prepared by my firm and that the System and the Project are situate wholly or chiefly within the boundaries of the Issuer.

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

WITNESS my signature and seal on this 21st day of October, 1998.

[SEAL]

WOOLPERT CONSULTANTS

  
\_\_\_\_\_  
Phillip Keyes  
WV License No. 013187

10/05/98  
333300/97001



ACT  
OF THE  
LEGISLATURE OF WEST VIRGINIA,  
IN RELATION TO THE  
TOWN OF GLENVILLE.

AN ACT to incorporate the town of Glenville,  
in the county of Gilmer.

(Passed February 13, 1871.)

Be it enacted by the Legislature of West Virginia:

1. That the town of Glenville in the county of Gilmer, as the same has heretofore been laid off into lots, streets and alleys embraced in the following boundary, to-wit:

Commencing on the bank of the Little Kanawha river immediately above the mouth of Sycamore run; thence with the road up said Sycamore run to the division line of lands owned by Harrison Cain and Milton Norris; thence with Norris' line to Thomas H. Braunon's line; and thence with his line to the road, to line of lands owned by Robert Linn's heirs; thence with said line to their upper corner at the forks of the road; thence southward to the Little Kanawha river; and thence down the same with the meanders thereof to the place of beginning, shall be, and the same is hereby made a Town corporate, and body politic, by the name of the "Town of Glenville," and as such shall have perpetual succession and a common seal, plead and be impleaded, and purchase, lease and hold real and personal property, necessary to the purposes of said corporation.

4 CHARTER.

2. The municipal authorities of said town shall consist of a Mayor, Recorder and five Councilmen, who together shall form a common council.

3. All corporate powers of the said town shall be exercised by the said council, or under their authority, except where otherwise provided.

4. There shall be a town Sergeant, a Treasurer and Assessor appointed by the council, to continue in office at its pleasure, and perform the duties respectively as hereinafter provided, or may be required by the council.

5. The duties of the office of Recorder, Treasurer, and Assessor may be discharged by the same person, or otherwise, as the council may from time to time determine.

6. The Mayor, Recorder and Councilmen shall be elected by the citizens of said town who may be entitled to vote under this act, and (except when elected to fill vacancies) for the term of one year, and until their successors shall have been elected and qualified, and shall be residents of said town and entitled to vote for members of its common council.

7. The first election held under this act shall be held on the first Saturday in April, 1870, at the Court House in said town, under the supervision of the present election officers of the township of Glenville. The persons conducting the first election shall grant certificates to the persons elected, which shall be entered upon the records, with the ordinances of said council, and their terms of office shall commence so soon thereafter as a quorum may be qualified, who shall remain in office until the 31st day of December, 1870, and thereafter until their successors are elected and qualified to act. And on the first Saturday in November, 1870, and annually thereafter, there shall be an election held on the same day in each and every year, at such place and under such supervision, rules and regulations as the council in said town may prescribe.



CHARTER.

oath or affirmation before a justice or other officer authorized to administer oaths, and thereupon he shall administer the oaths aforesaid to the other officers and councilmen. Certificates of said oaths or affirmations shall be filed with the Recorder, and the act of their administration be entered on the journal of the proceedings of the council.

13. If any one elected Mayor, Recorder or Councilmen shall have not been eligible, or shall fail or refuse to take the oath or affirmation required under this Act, within the ten days aforesaid, such office shall be declared vacant, and the vacancy filled as hereinbefore provided; but in all cases from among the citizens of the town eligible to such office or position under this act.

14. The council shall be presided over at its meetings by the Mayor, or in his absence by one of the councilmen, selected by a majority of the council present. And a majority of the council shall be necessary to constitute a quorum to do business.

15. The council shall cause to be kept in a journal, an accurate record of all its proceedings, by-laws, acts and orders, which shall be fully indexed and open to the inspection of the voters of the town.

16. The proceedings of the last meeting shall be read to the council, corrected when necessary, and signed by the person presiding for the time being. Upon the call of any member the yeas and nays on any question shall be called and recorded in the journal. The Mayor, though not voting as a member of the council, in cases of a tie shall have the casting vote.

17. The council so constituted shall have power within said town to lay off, open and curb, and pave streets, alleys, walks and gutters for the public use, and to alter, improve and light the same, and to have them kept in good order, and free from

justice or other officer authorized thereupon he shall administer the oaths to the officers and councilmen. Certificates shall be filed with the Recorder and Administration be entered on the minutes of the council.

The Mayor, Recorder or Councilmen who shall fail or refuse to take the oaths under this Act, within the ten days shall be declared vacant, and the office shall be provided; but in all cases from whom eligible to such office or position

shall be presided over at its meetings by the Mayor or by one of the councilmen, selected by the council at its next meeting. And a majority of the council shall constitute a quorum to do business.

The minutes of all the meetings shall be kept in a journal, an account of all proceedings, by-laws, acts and orders, shall be read and open to the inspection of the people.

At the last meeting shall be read to the people, if necessary, and signed by the presiding officer. Upon the call of any member a question shall be called and resolved by the Mayor, though not voting as a member, in case of a tie shall have the casting vote.

The council shall have power within said town to lay out, grade, curb, and pave streets, alleys, walks and squares, and to alter, improve and light the same, and to keep in good order, and free from

obstructions on or over them; to regulate the width of sidewalks and streets, and to order the sidewalks, foot-ways and gutters to be curbed, paved and kept in good order, free and clean by the owners or occupants of the adjacent property; to lay off public grounds, and provide, contract for and take care of public buildings, proper to the town; to prevent injury or annoyance to the public or individuals from anything dangerous, offensive or unwholesome; to abate or cause to be abated anything which, in the opinion of a majority of the whole council, shall be a nuisance; to regulate the keeping of gunpowder and other combustibles; to provide for the burial of the dead, and for this purpose may purchase and hold the necessary land, or cemetery, near or convenient to said town, and provide for its improvement and security; to provide for the regular buildings of houses or other structures in or for said town; for the making of division fences; and to provide for shade and ornamental trees, and against danger or damage from fires or contagious diseases; to provide a revenue for the town, and to appropriate the same, and to provide for the annual assessment of taxable persons or property of the town; to adopt rules for the transaction of business and the government regulations of its own body; and protect the property and preserve peace and good order therein; to keep a town guard, appoint and order out a patrol for the town when deemed necessary; to appoint such officers as they may deem proper, including a sergeant, assessor, treasurer and street commissioner; to define their powers, prescribe their duties, fix their term of service and compensation, require and take from them bonds with such securities and in such penalty as the council may determine, conditioned for the true and faithful discharge of their duties, and remove them at pleasure; (all bonds to be made payable to the town by its corporate name;) to erect, or authorize, or prohibit the erection of gas



20. The taxes in said town shall be annually laid in the months of May or June, or as soon thereafter as may be, and shall be paid and accounted for by the Sergeant, at the same time that county levies are due and payable.

21. When anything for which a State license is required, is to be done within said town, the town may require a town license to be had for doing the same, and may impose a tax thereon for the use of the town. And the Board of Supervisors shall not grant a license to any person or persons within said corporation, nor within two miles beyond the corporate limits of said town, for the purpose of selling ardent spirits, unless the party or parties applying for such a license shall first produce to the said Board of Supervisors, a certificate from said town council, showing its approval of the application for such license, and the council may in any case require from the persons so licensed, a bond with securities, in such penalty and with such conditions as it may determine. But nothing in this section shall be construed to authorize the council of said town to grant a license to sell at retail, ardent spirits, or any drink of like nature.

22. The Sergeant shall collect the town taxes, fines, levies and licenses, and after thirty days from the time he may receive the books of the Assessor of said town, may distrain and sell therefor, in the manner as the Sheriff may for State taxes, and shall in all respects have the same power as the Sheriff to enforce the payment and collection thereof, and shall be liable to the same penalties and forfeitures as a Sheriff is liable to. And shall within the corporate limits of the town, exercise all the duties that a Constable can legally exercise in regard to the collection of claims, executing and levying process, and shall be entitled to the same or like fees therefor, and he and his securities shall be liable to all the fines, penalties and forfeitures that a Constable is legally liable to, for any failure or

the town; to prevent same; for all of clause, except that have jurisdiction for regulate and provide for other articles sold or transportation there- do such things as the best, prosperity, peace

erated powers, and all council, expressly, or of the Legislature, the enforce all needful or- ary to the Constitution is, impose and enforce ng imprisonment for a he judgment and order of his absence or disa- nted by a majority of e council, with the nty, entered of record d county, for any pur- ts affairs.

council may be upon the age of twenty one and on all real estate from State taxation, ay at any time be as- the tax does not ex- sidered dollars value of er head on each taxa-



from the Recorder of said county, in the same manner, and under the same regulations as deeds are obtained upon sales for delinquent State taxes, and such estate shall stand vested in the grantee in such deed as was vested in the party assessed with the taxes (on account whereof the sale was made) at the commencement of the year for which such taxes were assessed.

26. The council may prohibit any theatrical or other performance, show or other exhibition within said town, it may deem injurious to the morals or good order of said town.

27. The said town, within the corporate limits aforesaid shall constitute a separate road and poor district of the said county of Gilmer, and shall be free from all taxes for county or township purposes outside of said corporation: and the taxable persons and property therein shall be exempt from all expense and liability for the construction or repair of roads and bridges outside the corporate limits of said town. And the street commissioner shall discharge the duties of a surveyor of roads in said precinct under the direction of the council.

28. The Mayor shall be the chief executive officer of the town, shall take care that the by-laws, ordinances and orders of the council are faithfully executed; shall be ex-officio a conservator and justice in the town: and shall within the same, exercise all the powers and duties vested in justices, in civil and criminal causes, and shall be entitled to the same fees as justices in such cases. But before he shall exercise the duties of justices in civil causes he shall execute bond with securities in the same manner and penalty as are required of justices, and shall be liable in like manner; shall have control of the police of the town, and may appoint special police officers: shall see that peace and good order are observed, and that persons and property are protected in the town:



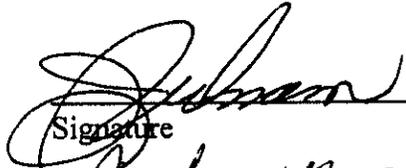


# City of Glenville

Glenville, West Virginia 26351

I, Joe Putnam, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.

7/7/97  
Date

  
Signature  
Cathy Nolan  
Signature of person administering  
oath of office

Witnesses:

Freeman Prehob  
William J. Hottendick, Jr.

# City of Glenville

Glenville, West Virginia 26351

I, Cathy Nolan, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.

Cathy Nolan  
Signature

7/7/97  
Date

[Signature]  
Signature of person administering  
oath of office

Witnesses:

William J. Hottendieck, III

# City of Glenville

Glenville, West Virginia 26351

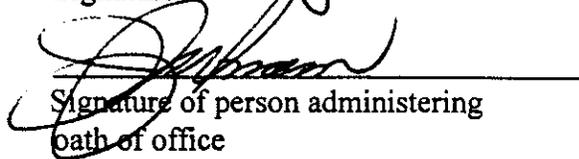
I, Dennis T. Fitzpatrick, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.



Signature

7-7-97

Date



Signature of person administering  
oath of office

Witnesses:

*Cathy Nelson*

# City of Glenville

Glenville, West Virginia 26351

I, Barbara Kay Miller, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.

Barbara Miller  
Signature

08/07/97  
Date

Dubman  
Signature of person administering  
oath of office

Witnesses:

Cathy Nelson

# City of Glenville

Glenville, West Virginia 26351

I, William J. Grottendieck III, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.

William J. Grottendieck III  
Signature

7/2/97  
Date

[Signature]  
Signature of person administering  
oath of office

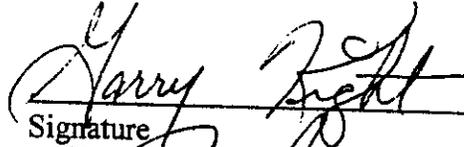
Witnesses:

Cathy Nolan

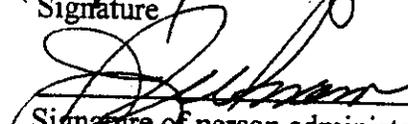
# City of Glenville

Glenville, West Virginia 26351

I, Garry Kight, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.

  
Signature

08/07/97  
Date

  
Signature of person administering  
oath of office

Witnesses:

*Cathy Nelson*  
*Penelle Lawson*

# City of Glenville

Glenville, West Virginia 26351

I, Pamela C. Cutlip, do solemnly swear that I will support the constitution of the United States, and the constitution of the State of West Virginia, and that I will faithfully and impartially discharge the duties of my office to the best of my skill and judgment. So help me God.

Pamela C. Cutlip

Signature

08/07/97  
Date

[Signature]  
Signature of person administering  
oath of office

Witnesses:

Cathy Nolan



# City Of Glenville

Glenville, West Virginia 26351

ORDINANCE OF THE CITY OF GLENVILLE, AN ORDINANCE ESTABLISHING THE UTILITY COMMISSION OF THE CITY OF GLENVILLE: PROVIDING FOR THE APPOINTMENT OF MEMBERS THERETO: AND ESTABLISHING POWERS AND FUNCTIONS OF SAID COMMISSIO

WHEREAS, the Common Council of the City of Glenville desires to establish a board with full powers and authority to assist in the operation of Glenville Utility, a company wholly owned by the City of Glenville, in accordance with the provisions of Chapter 8, Article 12, Sections 1 through 15 of the West Virginia Code (Michie's 1951 as amended).

NOW THEREFORE BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF GLENVILLE THAT:

SECTION ONE: There is hereby created as an official board of the City of Glenville the following: The Utility Commission of the City of Glenville.

SECTION TWO: The Utility Commission of the City of Glenville shall operate, maintain, improve, construct, rehabilitate and extend said Glenville Utility in the City of Glenville and surrounding areas.

SECTION THREE: The Utility Commission shall have and may exercise a and all powers, privileges and authority which have been granted or conferred, or which may hereafter be granted or conferred, upon similar municipal boards and commissions by the Legislature of West Virginia, including, but not limited to, all of the powers, privileges and authority granted and conferred under the provisions of Chapter 8, Article 12, Sections 1 through 15 of the West Virginia Code (Michie's 1961 as amended). The Utility Commission of the City of Glenville may additionally exercise such other powers, privileges and authority as are granted and conferred by the Council of the City of Glenville.

SECTION FOUR: (a) The Utility Commission of the City of Glenville shall consist of three appointed members, who shall have full voice and vote in the actions of the Commission, and the Mayor of the City of Glenville, who shall serve as an ex officio member with no vote. The members of the Commission shall be appointed by the Council without regard to political party affiliation. Each appointed member shall serve a term as hereinafter specified.

(b) One member of the Commission shall be appointed to a term of three years duration. Another member shall be appointed to a term of two years duration. Another member shall be appointed to a term of one year duration. At the end of each term the Council shall be expected to appoint an individual to fill any vacancy for a term of three years. Members of the Commission are not limited as to the total amount of terms they may serve and may be re-appointed. The Mayor shall serve in his ex officio capacity as long as he is Mayor of the City of Glenville.

(c) In the event of death, resignation, inability or unwillingness to serve of any member except the Mayor, the Council shall appoint a successor to such member to serve for his unexpired term.

# City Of Glenville

Glenville, West Virginia 26031

2

(d) A member of the Commission may be removed from the Commission before his term has expired. In this case, the Council must list the reasons it desires to remove the member, the member must have an opportunity to answer any charges against him in public, and the vote of the Council to remove must be by at least a two-thirds majority.

(e) Members of the Commission shall serve at no pay until such time as Glenville Utility becomes self-supporting at which time they shall be paid for their services.

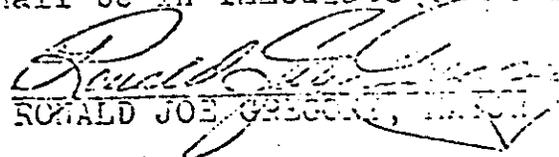
(f) The Commission shall be expected to be responsible for its own internal organizational structure. One member shall be named Chairman by the Commission and shall be expected to act in that capacity as a representative of the Commission.

SECTION FIVE: The initial membership of the Utility Commission of the City of Glenville shall consist of the following members, who shall serve for the following terms:

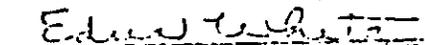
- (1) The Mayor of Glenville, who shall serve ex officio for the duration of his term of office.
- (2) Robert Arnold, who shall serve a term of three years.
- (3) David Gillespie, who shall serve a term of two years.
- (4) Robert Gainer, who shall serve a term of one year.

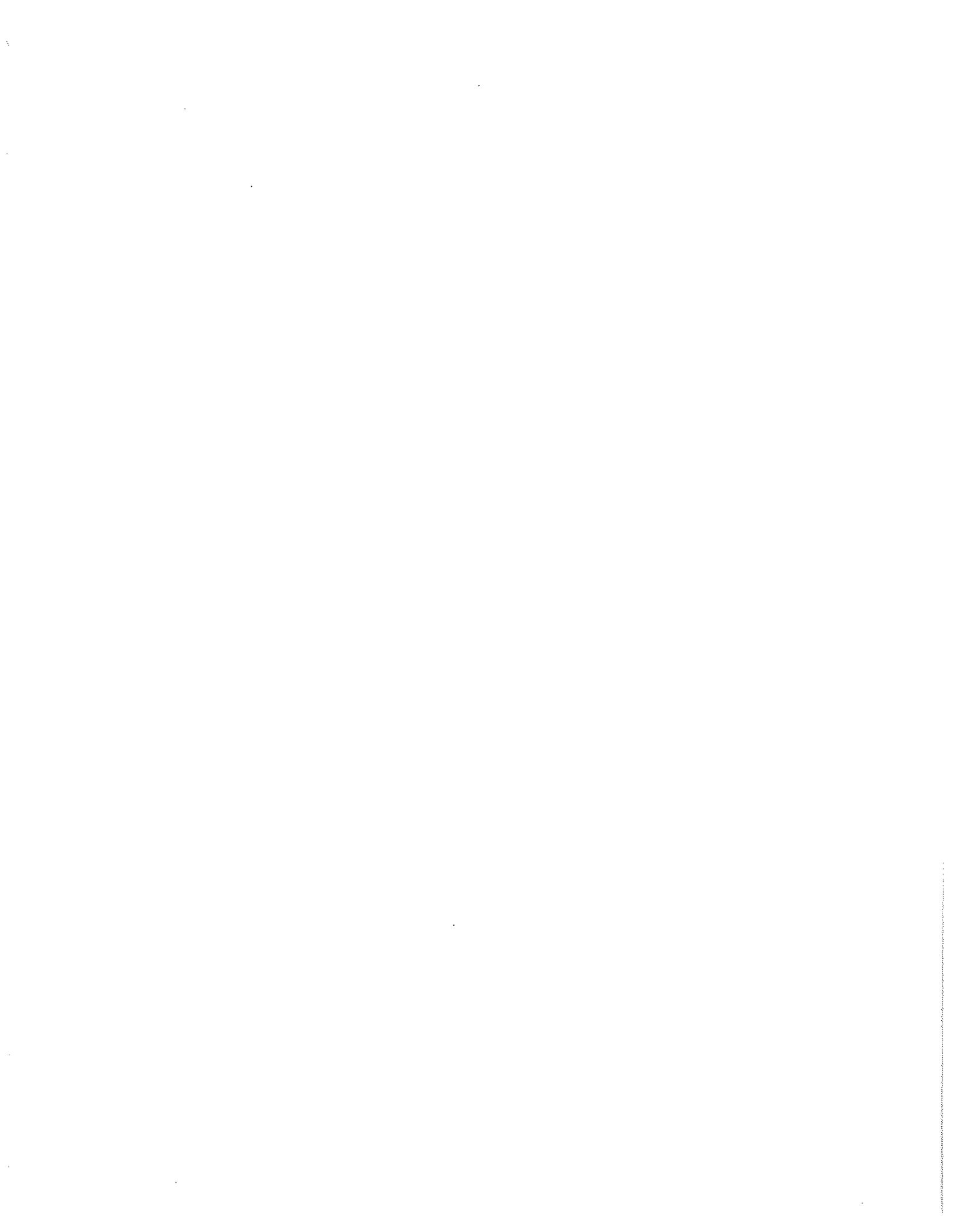
## CERTIFICATE OF ENACTMENT

I, Ronald Joe Gregory, Mayor, do hereby certify that the foregoing ordinance was lawfully ordained and enacted by the Common Council of the City of Glenville at a special session assembled on February 17, 1978, as an emergency ordinance, and said ordinance shall be in immediate force and effect as of February 17, 1978.

  
RONALD JOE GREGORY, Mayor

ATTEST: .

  
EDNA WHITE, RECORDER



CITY OF GLENVILLE

AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, DELAYED PAYMENT PENALTY, RECONNECTION FEE AND INCREMENTAL FEE FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF GLENVILLE

THE COUNCIL OF THE CITY OF GLENVILLE HEREBY ORDAINS: The following schedule of sewer rates, connection charge, delayed payment penalty, reconnection fee and incremental fee are hereby fixed and determined as the sewer rates, connection charge, delayed payment penalty, reconnection fee and incremental fee to be charged to customers of the sewerage system of the City of Glenville throughout the territory served:

SECTION 1. SCHEDULE OF RATES

APPLICABILITY

Applicable to entire area served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service.

RATES INSIDE THE CITY

First 3,000 gallons used per month \$5.06 per 1,000 gallons  
Next 3,000 gallons used per month \$4.75 per 1,000 gallons  
Next 4,000 gallons used per month \$4.26 per 1,000 gallons  
All over 10,000 gallons used per month \$3.88 per 1,000 gallons

The minimum bill shall be \$15.18 per month.

RATES OUTSIDE THE CITY

First 3,000 gallons used per month \$6.18 per 1,000 gallons  
Next 3,000 gallons used per month \$5.82 per 1,000 gallons  
Next 4,000 gallons used per month \$5.34 per 1,000 gallons  
All over 10,000 gallons used per month \$4.86 per 1,000 gallons

The minimum bill shall be \$18.54 per month.

### CONNECTION CHARGE

The connection charge for each new connection to the system shall be \$200.00 or the actual expense, whichever is greater.

### DELAYED PAYMENT PENALTY

The above tariff is net. On all accounts not paid in full within 20 days of the date of bill, 10% will be added to the net amount shown. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

### DISCONNECT FOR NON-PAYMENT - RECONNECTION FEE

If any bill is not paid within 30 days from the date of the bill, water service to the customer will be discontinued and will not be restored until all amounts in arrears, including accrued penalties and a reconnection fee of \$10.00, have been paid in full, subject to applicable rules and regulations of the Public Service Commission of West Virginia.

### INCREMENTAL FEE

In the event a customer's bill reflects unusual consumption which can be attributed to eligible leakage from the customer's side of the meter, the rate shall be \$3.15 per 1,000 gallons used per month. This rate shall be used to calculate consumption above the customer's historical average usage.

### SECTION 2. EFFECTIVE DATE

The sewer rates, connection charge, delayed payment penalty and reconnection fee provided herein shall be effective 45 days after the enactment hereof.

### SECTION 3. SEPARABILITY; REPEAL OF CONFLICTING ORDINANCES

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

### SECTION 4. STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the Recorder shall publish a copy of this Ordinance once a week for 2 successive weeks within a period of 14 consecutive days, with at least

6 full days intervening between each publication, in The Glenville Democrat, a qualified newspaper published and of general circulation in the City of Glenville, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council at the City Hall, Glenville, West Virginia, on the 5th day of May, 1997, at 7:00 p.m., which date is not less than 10 days subsequent to the date of the first publication of the Ordinance and notice, and present protests. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises. Copies of this Ordinance shall be available to the public for inspection at the office of the Recorder in the City Hall, Glenville, West Virginia.

Passed on First Reading: April 7, 1997.

Passed on Second Reading  
Following Public Hearing: May 5, 1997.

  
\_\_\_\_\_  
Mayor

CERTIFICATION AND NOTICE

The foregoing Ordinance has been introduced and adopted on first reading at a meeting of the Council held on April 7, 1997. Any person interested may appear before the Council of the City of Glenville at the City Hall, Glenville, West Virginia, on the 5th day of May, 1997, at 7:00 p.m., being the date, time and place of the proposed final adoption of this Ordinance, and be heard. The Council will then take such action as it shall deem proper in the premises. The proposed ordinance may be inspected by the public at the Office of the Recorder in the City Hall, Glenville, West Virginia.

Dated: April 7, 1997.

Cathy Nolan  
Recorder

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF GLENVILLE on the 5th day of May, 1997.

Dated: May 5, 1997.

[SEAL]

*Cathy Nelson*  
Recorder

04/07/97  
GVJM.D1  
333300/97001

# City of Glenville

20 North Court Street  
Glenville, WV 26351  
(304) 462-7411 & 462-8040  
TDD: 462-7306

AN ORDINANCE TO CHANGE RATES, TOLLS, FEES, AND CHARGES FOR FURNISHING WATER AND SEWER SERVICE; REPEAL OF ANY INCONSISTENT ORDINANCES AND ORDINANCES IN CONFLICT.

Whereas, it is deemed necessary by the Common Council of the City of Glenville to change rates, tolls, fees, and charges for furnishing water and sewer service due to higher operating cost both within the corporate limits and outside the corporate limits of the City of Glenville, in order to service customers and to protect the health and welfare of these customers who are entitled to an abundance of good clean water and sewer service:

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF GLENVILLE, STATE OF WEST VIRGINIA, THAT;

The Common Council of the City of Glenville will meet at 7:30 p.m. on Monday, March 1, 1993 in the City of Glenville's Council Chambers, at the City Building, Glenville, West Virginia, to consider for final vote and adoption an ordinance to charge rates, tools, fees, and charges for furnishing water and sewer service for all customers and future customers using this service, and to repeal any inconsistent ordinances and ordinances in conflict.

Interested parties may appear at this time and place cited above and be heard with respect thereto.

Copies of this ordinance can be inspected by the public at the Glenville Utility Office, 12 North Court Street, Glenville, West Virginia, anytime Monday thru Friday from 8:00 a.m. to 4:00 p.m.

Applicability of these rate changes and this ordinance shall apply to service to the entire territory served as specifically established for customers within and outside the corporate limits of Glenville and is available for general, domestic, commercial, industrial, public, and private fire protection service. These rate changes shall apply to both water and sewer service; and are governed by rules and regulations for the Government of Water and Sewage Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said commission.

If any building or premises or etc. is served by the sewer facilities but is not served by the Waterworks, or obtains part of the water used from a source other than the City Waterworks, charges for sewer services shall be commensurate with the charges which would be made to a building, or etc., receiving all water from the City Waterworks and otherwise in substantially the same circumstances as the building or premises or etc. in question.

**Home of the West Virginia State Folk Festival**

RATES AND CHANGES FOR WATER SERVICES  
WITHIN THE CORPORATE LIMITS OF THE CITY OF GLENVILLE

TRAILER OR MOBILE HOME COURTS WITHIN THE CORPORATE LIMITS

These courts shall be provided with a master meter or sperate meters but no bill shall be rendered for less than the following:

\$11.31 per month per unit for water, multiplied by the numbers of units situated on the lot or court site at the time the meter is read or use the charge based on the actual meter readings, whichever is greater. This shall apply to house trailers, mobile homes, and campers if said camper is connected to water or sewer service. House trailers, mobil or immobile homes, or etc., located on sites other than a park or court shall be billed the same manner as any other family or business unit.

MULTIPLE OCCUPANCY WITHIN THE CORPORATE LIMITS

On an apartment building, duplex house, or any other multiple occupancy building, or office building, each unit, family, office or business unit shall be required to pay not less than the minimum monthly charge herein established for a 5/8-inch X 3/4-inch meter for water. These are \$11.31 each unit per month for water.

To determine the charge for multiple occupancy the number of units in the building at the time the meter is read is to be multiplied by the minimum charge and compared to the use the charge be used. Motels and hotels shall not be subject to the multiple occupancy charge but will pay according to the size of meter installed.

WATER RATES WITHIN THE CORPORATION

First	0 - 3,000 gallons used per month	- \$3.77 per 1,000 gal.
Next	3,001 - 6,000 gallons used per month	- \$2.24 per 1,000 gal.
Next	6,001 -10,000 gallons used per month	- \$1.99 per 1,000 gal.
Next over	-10,001 gallons used per month	- \$1.84 per 1,000 gal.

(O)

MINIMUM MONTHLY CHARGE FOR WATER SERVICE WITHIN THE CORPORATION

No water bill shall be rendered for less than \$11.31 per month for each unit, family, office, or business or any apartment building, duplex house or office building.

(O) Indicates Omission

(A) MINIMUM CHARGES FOR WATER METERS WITHIN THE CORPORATION

No bill shall be rendered for less than the following amounts according to the size of the meter installed, to-wit;

5/8-inch 3/4-inch meter, or less	\$ 11.31 per month
3/4-inch meter	\$ 18.03 per month
1-inch meter	\$ 29.68 per month
1 1/4-inch meter	\$ 40.71 per month
1 1/2-inch meter	\$ 60.95 per month
2-inch meter	\$ 113.76 per month
4-inch meter	\$ 371.36 per month
6-inch meter	\$ 787.75 per month
8-inch meter	\$1291.91 per month

CONNECTION FEES FOR WATER SERVICE WITHIN THE CORPORATION

The connection fee to be charged to all new services shall be:

for setting a 5/8 X 3/4 or 3/4 inch meter	-	\$ 150.00
for setting a 1 inch meter	-	200.00
for setting a 1 1/2 inch meter	-	350.00
for setting a 2 inch meter	-	450.00
for setting a 4 inch meter	-	1,130.00
for setting a 6 inch meter	-	1,792.00
for setting a 8 inch meter	-	3,650.00

or the actual expense, whichever is greater. After disconnection of service, at the customer's request, or non-payment of bill, a fee of \$10.00 shall be charged to reconnect the service.

AVAILABILITY OF SERVICE FOR HYDRANTS OR SPRINKLERS WITHIN THE CORPORATION

Available for private fire protection service.

**RATE**

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

2-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$ 3.00 per month
3-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$ 3.40 per month
4-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$ 4.20 per month
6-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$13.80 per month
8-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$18.50 per month
10-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$21.00 per month
12-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$29.80

Where connections and hydrants on private property are maintained by the City of Glenville.

Each Fire Hydrant- \$10.33 per month.

**RATES**

(Public fire protection service)  
each public fire hydrant in use- \$ 6.67 per month

DELAYED PAYMENT PENALTY ON ALL WATER BILLS WITHIN THE CORPORATION

All water bills are payable when rendered. On all accounts not paid in full within twenty (20) days of bill, ten percent (%) penalty will be added to the net amount shown. This delayed penalty payment is not interest and is only to be collected once for each bill where it is appropriate.

(N) Service actually shall be disconnected only after all rules and regulations has been followed set forth by the Public Service Commission. Service shall not be restored all amounts in arrears, including accrued penalties, plus a reconnection fee of ten dollars (\$10.00) have been paid.

It is the intent of the Common Council of the City of Glenville that each separate section and/or part of a section, and/or provision of this ordinance shall be deemed independent of all other sections and/or parts of sections, and provisions herein, and it is further the intention of the Common Council of the City of Glenville that if any section and/or part of a section, and/or provisions of this ordinance be declared to be invalid, all other sections and/or parts or sections and/or provisions herein shall remain valid and in full force and effect and enforceable.

All ordinances, or parts of ordinances, in conflict herewith, or inconsistent herewith, are hereby repealed to that extent and no further.

Unless the Public Service Commission sets a different effective date, this ordinance shall be effect on April 15, 1993 which is 45 days after adoption of said ordinance as required by law.

(N) Indicates new

RATES AND CHARGES FOR WATER SERVICES  
OUTSIDE THE CORPORATION LIMITS OF THE CITY OF GLENVILLE

TRAILER OR MOBILE HOME COURTS OUTSIDE THE CORPORATION

These courts shall be provided with a master meter or separate meters but no bill shall be rendered for less than following:

Outside the Corporation \$13.38 per month per month per unit for water, multiplied by the number of units situated on the lot or court site at the time the meter is read or use the charged based on the actual meter reading, whichever is greater. This shall apply to house trailers, mobile homes, immobile homes, and campers if said camper is connected to water or sewer service. House trailers, mobile or immobile homes, or etc., located any other family or business unit.

(C) (A) MULTIPLE OCCUPANCY OUTSIDE THE CORPORATION

On an apartment building, duplex house, or any other multiple occupancy building, or office building, each unit, family, office or business unit shall be required to pay not less than the minimum monthly charge herein established for a 5/8-inch X 3/4-inch meter for water. These are \$13.38 each unit per month for water.

To determine the charge for multiple occupancy the number of units in the building at the time the meter is read is to be multiplied by the minimum charged and compared to the use the charge based on the actual meter reading, whichever charge is greater shall be used. Motels and Hotels shall not be subject to the multiple occupancy charge but will pay according to the size of meter installed.

(A) WATER RATES OUTSIDE THE CORPORATION

First	0 - 3,000 gallons used per month	- \$4.46 per 1,000 gal.
Next	3,001 - 6,000 gallons used per month	- \$2.65 per 1,000 gal.
Next	6,001 - 10,000 gallons used per month	- \$2.35 per 1,000 gal.
Next over	- 10,001 gallons used per month	- \$2.16 per 1,000 gal.

(A) MINIMUM MONTHLY CHARGE FOR WATER SERVICE OUTSIDE THE CORPORATION

No water bill shall be rendered for less than \$13.38 per month for each unit, family, office, or business or any apartment building, duplex house or office building.

- (A) Indicates Advance
- (C) Indicates Change

**(A) MINIMUM CHARGE FOR WATER METERS OUTSIDE THE CORPORATION**

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

5/8-inch X 3/4-inch meter, or less	\$13.38 per month
3/4-inch meter	\$21.33 per month
1-inch meter	\$35.05 per month
1 1/4-inch meter	\$48.01 per month
1 1/2-inch meter	\$71.77 per month
2-inch meter	\$133.76 per month
4-inch meter	\$436.16 per month
6-inch meter	\$924.97 per month
8-inch meter	\$ 1,516.81 per month

**CONNECTION FEES FOR WATER SERVICE OUTSIDE THE CORPORATION**

The connection fee to be charged to all new services shall be:

for setting a 5/8 X 3/4 or 3/4 inch meter	-	\$150.00
for setting a 1 inch meter	-	\$200.00
for setting a 1 1/2 inch meter	-	\$350.00
for setting a 2 inch meter	-	\$450.00
for setting a 4 inch meter	-	\$1,130.00
for setting a 6 inch meter	-	\$1,792.00
for setting a 8 inch meter	-	\$3,650.00

or the actual expense, whichever is greater. After disconnection of a service, at the customers request, or non-payment of bill, a fee of \$10.00 shall be charged to reconnect the service.

**(A) Indicates Advance**

AVAILABILITY OF SERVICE FOR HYDRANTS OR SPRINKLERS OUTSIDE THE CORPORATION

Available for private or public fire protection service.

RATE

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

2-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$3.00 per month
3-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$3.40 per month
4-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$4.20 per month
6-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$13.80 per month
8-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$18.50 per month
10-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$21.00 per month
12-inch Service Line with hydrants, sprinklers, and/or hose connections-	\$29.80 per month

Where connections and hydrants on private property are maintained by the City of Glenville.

Each Fire Hydrant	\$10.33 per month
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RATES

(Public fire protection service) each public fire hydrant in use-	\$ 6.67 per month
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DELAYED PAYMENT PENALTY ON ALL WATER BILLS OUTSIDE THE CORPORATION

All water bills are payable when rendered. On all accounts not paid in full within twenty (20) days of bill, ten percent (%) penalty will be added to the net amount shown. This delayed penalty is not interest and is only to be collected once for each bill where it is appropriate.

Service actually shall be disconnected only after all rules and regulations has been followed set forth by the Public Service Commission. Service shall not be restored until all amounts in arrears, including accrued penalties, plus a reconnection fee of ten dollars (\$10.00) have been paid.

It is the intent of the Common Council of the City of Glenville that each separate section and/or part of a section, and/or provision of this ordinance shall be deemed independent of all other sections and/or parts of sections, and provisions herein, and it is further the intention of the Common Council of the City of Glenville that if any section and/or part of a section, and/or provisions of this ordinance be declared to be invalid, all other sections and/or parts or sections and/or provisions herein shall remain valid in full force and effect and enforceable.

All ordinances, or parts of ordinances, in conflict herewith, or inconsistent herewith, are hereby repealed to that extent and no further.

Unless the Public Service Commission sets a different effective date, this ordinance shall be in effect on April 15, 1993 which is 45 days after adoption of said ordinance as required by law.

(N) RATES AND CHARGES FOR WATER SERVICES TO PUBLIC SERVICE DISTRICTS

BULK WATER RATES PUBLIC SERVICE DISTRICTS

First 0 - 1,000 gallons used per month 2.12 per 1,000 gal.  
Next over 1,000 gallons used per month 2.12 per 1,000 gal.

CONNECTION FEES FOR WATER SERVICE TO PUBLIC SERVICE DISTRICTS

The connection fees to be charged to all new services shall be:

For setting a	5/8 X 3/4	inch meter	\$150.00
For setting a	1	inch meter	\$200.00
For setting a	1 1/2	inch meter	\$350.00
For setting a	2	inch meter	\$450.00
For setting a	3	inch meter	\$750.00
For setting a	4	inch meter	\$1,130.00
For setting a	6	inch meter	\$1,792.00
For setting a	8	inch meter	\$3,650.00
For setting a	10	inch meter	\$4,550.00

Or the actual expenses whichever is greater.

(N) Indicates New

(N) DELAYED PAYMENT PENALTY ON ALL WATER BILLS PUBLIC SERVICE DISTRICTS

All water bills are payable when rendered. On all accounts not paid in full within twenty (20) days of bill, ten percent (%) penalty will be added to the net amount shown. This delayed penalty payment is not interest and is only to be collected once for each bill where it is appropriate.

It is the intent of the Common Council of the City of Glenville that each separate section and/or part of a section, and/or provision of this ordinance shall be deemed independent of all other sections and/or parts of sections, and provisions herein, and it is further the intention of the Common Council of the City of Glenville that if any section and/or part of a section, and/or provisions of this ordinance be declared to be invalid, all other sections and/or parts or sections and/or provisions herein shall remain valid and in full force and effect and enforceable.

All ordinances, or parts of ordinances, in conflict herewith, or inconsistent herewith, are hereby repealed to that extent and no further.

Unless the Public Service Commission sets a different effective date, this ordinance shall be in effect on April 15, 1993 which is 45 days after adoption of said ordinance as required by law.

(N) Indicates New

AVAILABILTIY OF SERVICE

Available for general domestic and commercial services in entire district served within the corporation.

(A) SEWER RATES WITHIN THE CORPORATION

Sewer bills shall be rendered on the basis of the number of gallons of water used per month as follows:

First	3,000 gallons used per month	- \$3.35 per 1,000 gal.
Next	3,001 - 6,000 gallons used per month	- \$3.15 per 1,000 gal.
Next	6,001 - 10,000 gallons used per month	- \$2.89 per 1,000 gal.
Next over	- 10,001 gallons used per month	- \$2.63 per 1,000 gal.

(O)

(A) MINIMUM MONTHLY CHARGE FOR SEWER SERVICE WITHIN THE CORPORATION

No sewer bill shall be rendered for less than \$10.05 per month for each unit, family, office or business of nay apartment building, depnex house or office building.

CONNECTION FEES FOR SEWER SERVICE WITHIN THE CORPORATION

The connection fee to be charged to all new services shall be \$200.00, or the actual expense, whichever is greater.

(O) Indicates Omission

(A) Indicates Advance

DELAYED PAYMENT PENALTY ON ALL SEWER BILLS WITHIN THE CORPORATION.

All water and sewer bills are payable when rendered. On all accounts not paid in full within twenty (20) days of bill, ten percent (%) penalty will be added to the net amount shown. This delayed penalty payment is not interest and is only to be collected once for each bill where it is appropriate.

Service actually shall be disconnected only after all rules and regulations has been followed set forth by the Public Service Commission. Service will no be restored until all amounts in arrears, including accrued penalties, plus a reconnection fee of ten dollars (\$10.00) have been paid.

It is the intent of the Common Council of the City of Glenville that each separate section and/or part of a section, and/or provision of this ordinance shall be deemed independent of all other sections and/or parts of sections, and provisions herein, and it is further the intention of the Common Council of the City of Glenville that if any section and/or part of a section, and/or provisions of this ordinance be declared to be invalid, all other sections and/or parts or sections and/or provisions herein shall remain valid and in full force and effect and enforceable.

All ordinances, or parts of ordinances, in conflict herewith, or inconsistent herewith, are hereby repealed to that extent and no further.

Unless the Public Service Commission sets a different effective date, this ordinance shall be in effect on April 15, 1993 which is 45 days after adoption of said ordinance as required by law.

AVAILABILITY OF SERVICE

Available for general domestic and commercial service in entire district served OUTSIDE THE CORPORATION

(C) (A) SEWER RATES OUTSIDE THE CORPORATION

Sewer bills shall be rendered on the basis of the number of gallons of water used per month as follows:

First	3,000	gallons used per month	\$4.19 per 1,000 gal.
Next	3,001 - 6,000	gallons used per month	\$3.94 per 1,000 gal.
Next	6,001 - 10,000	gallons used per month	\$3.62 per 1,000 gal.
Next over	10,001	gallons used per month	\$3.29 per 1,000 gal.

(A) MINIMUM MONTHLY CHARGE FOR SEWER SERVICE OUTSIDE THE CORPORATION

No sewer bill shall be rendered for less than \$12.57 per month for each unit, family, office or business of any apartment building, duplex house or office building.

CONNECTION FEES FOR SEWER SERVICE OUTSIDE THE CORPORATION

The connection fee to be charged to all new services shall be \$200.00, or the actual expense, whichever is greater.

(A) Indicates Advance

(C) Indicates Change

DELAYED PAYMENT ON ALL SEWER BILLS OUTSIDE THE CORPORATION

All sewer bills are payable when rendered. On all accounts not paid in full within (20) days of bill, ten percent (%) penalty will be added to the net amount shown. This delayed penalty payment is not interest and is only to be collected once for each bill where it is appropriate.

(N) Service actually shall be disconnected only after all rules and regulations has been followed set forth by the Public Service Commission. Service shall not be restored until all amounts in arrears, including accrued penalties, plus a reconnection fee of ten dollars (\$10.00) have been paid.

It is the intent of the Common Council of the City of Glenville that each separate section and/or part of a section, and/or provision of this ordinance shall be deemed independent of all other sections and/or parts of sections, and provisions herein, and it is further the intention of the Common Council of the City of Glenwill that if any section and/or part of a section, and/or provisions of this ordinance be declared to be invalid, all other sections and/or parts or sections and/or provisions herein shall remain valid and in full force and in effect and enforceable.

All ordinances, or parts of ordinances, in conflict herewith, or inconsistent herewith, are repealed to that extent and no further.

Unless the Public Service Commission sets a different effective date, this ordinance shall be effect on April 15, 1993 which is 45 days after adoption of said ordinance as required by law.

(N) Indicates New

# City of Glenville

20 North Court Street  
Glenville, WV 26351  
(304) 462-7411 & 462-8040  
TDD: 462-7306

## CERTIFICATE OF ENACTMENT

I K. Bruce Smith, Mayor do hereby certify that the foregoing ordinance was lawfully ordained with the first reading held on February 1, 1993 and the final reading and adoption was held at the regular council session assembled on March 1, 1993 and said ordinance was enacted and adopted by the Common Council of the City of Glenville and said ordinance shall be enforced and effect as of April 15, 1993.

K. Bruce Smith  
K. Bruce Smith, Mayor

ATTEST:

James E. Coakley - recorder

# Affidavit of Publication

STATE OF WEST VIRGINIA  
COUNTY OF GILMER, to wit:

I, David H. Corcoran, being first duly sworn upon my oath, do depose and say that I am publisher of

The Glenville Democrat, a Democrat newspaper published weekly for at least 51 weeks during the calendar year in Glenville, Gilmer County, West Virginia, that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia 1931, as amended, within the publication area, or areas, of said municipality and county and adjoining counties of Gilmer; 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; that the annexed notice of

Sewer Rates . . .

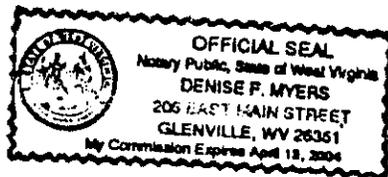
was duly published in said newspaper once a week for 2 successive weeks (Class II), commencing with the issue of the 10 day of April, 1997 and ending with the issue of the 17 day of April, 1997

That the cost of publishing said annexed notice as aforesaid was \$ 106.09.

Signed David H. Corcoran, Publisher

Taken, subscribed, and sworn to before me in my said county this 12 day of May, 1997  
My commission expires 4/13/2004

Denise F. Myers  
Notary Public of Gilmer County, West Virginia



**CITY OF GLENVILLE**  
ORDINANCE SETTING FORTH SEWER CONNECTION CHARGE, DELAYED PAYMENT PENALTY, RECONNECTION FEE, INCREMENTAL FEE FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF GLENVILLE  
THE COUNCIL OF THE CITY OF GLENVILLE HEREBY ORDAINS: The following schedule of rates shall be in effect for the sewerage system of the City of Glenville through out the territory served:  
**SECTION 1. SCHEDULE OF RATES**  
**SEPARABILITY**  
Applicable to entire area served.  
**AVAILABILITY OF SERVICE**  
Available for general domestic, commercial and industrial service.  
**RATES INSIDE THE CITY**  
First 3,000 gallons used per month \$6.08 per 1,000 gallons  
Next 3,000 gallons used per month \$4.75 per 1,000 gallons  
Next 4,000 gallons used per month \$4.28 per 1,000 gallons  
All over 10,000 gallons used per month \$3.88 per 1,000 gallons  
The minimum bill shall be \$15.18 per month.  
**RATES OUTSIDE THE CITY**  
First 3,000 gallons used per month \$6.18 per 1,000 gallons  
Next 3,000 gallons used per month \$5.82 per 1,000 gallons  
Next 4,000 gallons used per month \$5.34 per 1,000 gallons  
All over 10,000 gallons used per month \$4.84 per 1,000 gallons  
The minimum bill shall be \$18.54 per month.  
**CONNECTION CHARGE**  
The connection charge for each new connection to the system shall be \$200.00 or the actual expense, whichever is greater.  
**DELAYED PAYMENT PENALTY**  
The above rates are in full. On all accounts not paid in full within 20 days of the date of bill, 10% will be added to the net amount of bill. The delayed payment penalty is not refundable.  
**CONNECTION FEE FOR NON-PAYMENT**  
If any bill is not paid within 30 days from the date of the bill, water service to the premises shall be discontinued and will not be restored until the bill is paid in full. The connection charge and a reconnection fee of \$10.00, have been paid in full, subject to applicable rules and regulations of the Public Service Commission of West Virginia.  
**RECONNECTION FEE**  
The reconnection fee for a customer who has discontinued service to the premises which can be attributed to the customer's side of the meter shall be \$25.00 per 1,000 gallons used per month.  
**SECTION 2. SEPARABILITY: REPEAL OF ORDINANCES**  
The provisions of this Ordinance are separate and severable and if any provision hereof is held to be invalid, the remaining provisions shall not be affected. All ordinances, resolutions, orders or provisions in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict.  
**VIOLATION AND NOTICE**  
This Ordinance has been introduced on first reading at a meeting of the Council of the City of Glenville, West Virginia, on the 10th day of April, 1997, at 1:00 p.m. and on the 17th day of April, 1997, at 1:00 p.m. and on the 24th day of April, 1997, at 1:00 p.m. and on the 31st day of April, 1997, at 1:00 p.m. and on the 8th day of May, 1997, at 1:00 p.m. and on the 15th day of May, 1997, at 1:00 p.m. and on the 22nd day of May, 1997, at 1:00 p.m. and on the 29th day of May, 1997, at 1:00 p.m. and on the 5th day of June, 1997, at 1:00 p.m. and on the 12th day of June, 1997, at 1:00 p.m. and on the 19th day of June, 1997, at 1:00 p.m. and on the 26th day of June, 1997, at 1:00 p.m. and on the 3rd day of July, 1997, at 1:00 p.m. and on the 10th day of July, 1997, at 1:00 p.m. and on the 17th day of July, 1997, at 1:00 p.m. and on the 24th day of July, 1997, at 1:00 p.m. and on the 31st day of July, 1997, at 1:00 p.m. and on the 7th day of August, 1997, at 1:00 p.m. and on the 14th day of August, 1997, at 1:00 p.m. and on the 21st day of August, 1997, at 1:00 p.m. and on the 28th day of August, 1997, at 1:00 p.m. and on the 4th day of September, 1997, at 1:00 p.m. and on the 11th day of September, 1997, at 1:00 p.m. and on the 18th day of September, 1997, at 1:00 p.m. and on the 25th day of September, 1997, at 1:00 p.m. and on the 2nd day of October, 1997, at 1:00 p.m. and on the 9th day of October, 1997, at 1:00 p.m. and on the 16th day of October, 1997, at 1:00 p.m. and on the 23rd day of October, 1997, at 1:00 p.m. and on the 30th day of October, 1997, at 1:00 p.m. and on the 6th day of November, 1997, at 1:00 p.m. and on the 13th day of November, 1997, at 1:00 p.m. and on the 20th day of November, 1997, at 1:00 p.m. and on the 27th day of November, 1997, at 1:00 p.m. and on the 4th day of December, 1997, at 1:00 p.m. and on the 11th day of December, 1997, at 1:00 p.m. and on the 18th day of December, 1997, at 1:00 p.m. and on the 25th day of December, 1997, at 1:00 p.m. and on the 1st day of January, 1998, at 1:00 p.m. and on the 8th day of January, 1998, at 1:00 p.m. and on the 15th day of January, 1998, at 1:00 p.m. and on the 22nd day of January, 1998, at 1:00 p.m. and on the 29th day of January, 1998, at 1:00 p.m. and on the 5th day of February, 1998, at 1:00 p.m. and on the 12th day of February, 1998, at 1:00 p.m. and on the 19th day of February, 1998, at 1:00 p.m. and on the 26th day of February, 1998, at 1:00 p.m. and on the 5th day of March, 1998, at 1:00 p.m. and on the 12th day of March, 1998, at 1:00 p.m. and on the 19th day of March, 1998, at 1:00 p.m. and on the 26th day of March, 1998, at 1:00 p.m. and on the 2nd day of April, 1998, at 1:00 p.m. and on the 9th day of April, 1998, at 1:00 p.m. and on the 16th day of April, 1998, at 1:00 p.m. and on the 23rd day of April, 1998, at 1:00 p.m. and on the 30th day of April, 1998, at 1:00 p.m. and on the 7th day of May, 1998, at 1:00 p.m. and on the 14th day of May, 1998, at 1:00 p.m. and on the 21st day of May, 1998, at 1:00 p.m. and on the 28th day of May, 1998, at 1:00 p.m. and on the 4th day of June, 1998, at 1:00 p.m. and on the 11th day of June, 1998, at 1:00 p.m. and on the 18th day of June, 1998, at 1:00 p.m. and on the 25th day of June, 1998, at 1:00 p.m. and on the 2nd day of July, 1998, at 1:00 p.m. and on the 9th day of July, 1998, at 1:00 p.m. and on the 16th day of July, 1998, at 1:00 p.m. and on the 23rd day of July, 1998, at 1:00 p.m. and on the 30th day of July, 1998, at 1:00 p.m. and on the 6th day of August, 1998, at 1:00 p.m. and on the 13th day of August, 1998, at 1:00 p.m. and on the 20th day of August, 1998, at 1:00 p.m. and on the 27th day of August, 1998, at 1:00 p.m. and on the 3rd day of September, 1998, at 1:00 p.m. and on the 10th day of September, 1998, at 1:00 p.m. and on the 17th day of September, 1998, at 1:00 p.m. and on the 24th day of September, 1998, at 1:00 p.m. and on the 1st day of October, 1998, at 1:00 p.m. and on the 8th 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# Affidavit of Publication

STATE OF WEST VIRGINIA  
 COUNTY OF GILMER, to wit:

I, Robert D. Arnold, being first duly sworn upon my oath, do depose and say that I am publisher of

The **Glennville Democrat**, a Democrat newspaper published weekly for at least 51 weeks during the calendar year in Glennville, Gilmer County, West Virginia, that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia 1931, as amended, within the publication area, or areas, of said municipality and county and adjoining counties of Gilmer; 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; that the annexed notice of \_\_\_\_\_

*Public Hearing*

was duly published in said newspaper once a week for 2 successive weeks (Class II), commencing with the issue of the 18th day of February, 1993 and ending with the issue of the 25th day of February, 1993

That the cost of publishing said annexed notice as aforesaid was \$ 15.05

Signed Robert D. Arnold, Pub.

Taken, subscribed, and sworn to before me in my said county this 3rd day of March, 1993

My commission expires August 30, 1999

*Robert D. Arnold*

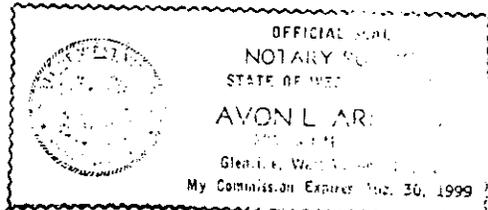
Notary Public of Gilmer County, West Virginia

**PUBLIC HEARING**  
 A public hearing will be held at 7:30 pm Monday, March 1, 1993 in Council Chambers at Glennville City Hall, Glennville, WV. The second reading of the following ordinance will be considered for adoption by the Glennville City Council, any person may appear before Council at that time to be heard upon any matter relating to this ordinance.  
**AN ORDINANCE TO CHANGE RATES, TOLLS, FEES AND CHARGES FOR FURNISHING WATER AND SEWER SERVICE; REPEAL OF ANY INCONSISTENT ORDINANCES AND ORDINANCES IN CONFLICT.**  
 Passed by Council of the City of Glennville on First reading on the 1st day of February 1993. Copies of this ordinance can be inspected by the public at the Glennville Utility Office, 12 North Court Street, Glennville, WV, anytime Monday thru Friday from 8:00 am to 4:00 pm.  
 Bruce Smith, Mayor  
 Legal Class II 2-25c

Class Ordinance on Page 4

**ORDINANCES IN CONFLICT.**  
 Interested parties may appear at this time and place cited above and be heard with respect thereto.  
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**AN ORDINANCE TO CHANGE RATES, TOLLS, FEES AND CHARGES FOR FURNISHING WATER AND SEWER SERVICE; REPEAL OF ANY INCONSISTENT ORDINANCES AND ORDINANCES IN CONFLICT.**  
 Interested parties may appear at this time and place cited above and be heard with respect thereto.  
**PASSED** by Council of the City of Glennville on First reading on the 1st day of February 1993. Copies of this ordinance can be inspected by the public at the Glennville Utility Office, 12 North Court Street, Glennville, WV, anytime Monday thru Friday from 8:00 am to 4:00 pm.  
 Bruce Smith, Mayor  
 Legal Class II 2-25c





**CITY COUNCIL AGENDA, 1997**  
**April 7<sup>th</sup>, 7:30 PM**

**CITY COUNCIL MEMBERS:**

*Bantz Collins*  
*Kay Miller*  
*William Grottendieck*  
*Dennis Fitzpatrick*  
*Pamela Cutlip*

Mayor Joe Putnam  
Cathy Nolan, Recorder/Treasurer  
Brenda Lawson, Bookkeeper

1. Public
2. Minutes of Last Meeting
3. Reports:
  - a: Street
  - b: Police
  - c: Glenville Utility
  - d: Treasurer
  - e: Recorder
  - f: Mayor
4. Old Business:  
Discuss paving
5. New Business:
6. Adjourn

MINUTES OF CITY COUNCIL MEETING  
APRIL 7, 1997

The meeting was called to order at 7:31 P.M. by Mayor Putnam with Councilmembers Miller, Fitzpatrick, Cutlip, Collins and Grottendieck present.

I. PUBLIC:

Freeman Nicholson from the Glenville Utility addressed council. He presented a new ordinance to change the rate and fees for the City of Glenville inside and outside the city limits. Discussion followed.

✓ Councilmember Fitzpatrick made a motion to pass on the first reading an ordinance to establish AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, DELAYED PAYMENT PENALTY, RECONNECTION FEE AND INCREMENTAL FEE FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF GLENVILLE. Councilmember Collins seconded. Motion passed.

Councilmember Grottendieck made a motion to amend the previous motion to read to waive the first reading of the ordinance and pass on to the second reading of the ordinance to establish AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, DELAYED PAYMENT PENALTY, RECONNECTION FEE AND INCREMENTAL FEE FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF GLENVILLE. Councilmember Fitzpatrick seconded. Motion passed.

The second reading will be held on Monday, May 5, 1997 at 7:00 P.M. at City Hall.

Mr. Nicholson also talked with council concerning the Bond Counsel Service. There were three proposals for the bonding. Discussion followed.

Councilmember Collins made a motion to hire Steptoe & Johnson as the Bonding Counsel. Councilmember Miller seconded. Motion passed.

Mr. Nicholson stated that we need to approve and authorize the Mayor to sign the Certificate of Necessity. This is so the Mayor can sign all paper work for the rate increase. Discussion followed.

Councilmember Fitzpatrick made a motion to give the Mayor authorization to sign the Certificate of Necessity. Councilmember Miller seconded. Motion passed.

Bob King addressed council concerning vehicles and dogs at a neighboring

property. The trash is now building up behind the house. Because of the vehicles, Mr. King stated that he cannot see down the road to get out of his driveway. Councilmember Fitzpatrick suggested that the Chief of Police contact the people and issue tickets if necessary. Mr. King stated that he did not want to wait another 60 days to get something done. He stated that he doesn't feel that council or the Mayor have helped him. Discussion followed.

The Mayor had Chief Davis send Sgt. Ballengee to the property and check it out and come back with a report. Mr. King stated that right now he wants to be able to get out of his driveway safely. Mr. King stated that his fence is on state property and he feels that the vehicles have to be on state property because they are out farther than his fence.

Mr. King stated that there is other junk sitting around that needs to be taken care of. Discussion followed. The Mayor is to check with the Department of Highways and Jack Heater, Sanitation, to see what our options are.

Mr. King then addressed the dog situation. The Mayor has talked with the dog catcher and the dog has not been out when he drives by there. There is an ordinance that dogs in the city limits have to be on a leash.

Council will check into these situations to see what can be done.

Tom Ratliff from the Recreation Center addressed council concerning the sewer line project. The Recreation Center has concerns about the oxidation pond type treatment facility. He feels that the city would benefit approximately \$500.00 a month if the city picked up the Recreation Center. Discussion followed.

Councilmember Grottendieck stated that the Recreation Center belongs to the county and he feels that it is a county problem. He felt that we are willing to help the county but the county needs to take the initiative and find a source to fund the project. Discussion followed.

The Mayor stated that the city needs to find out what avenues the city has in regard to the farms and animals.

Mr. Ratliff also asked for help in upgrading the playground at the Recreation Center. He stated that over the next 5 to 10 years they are looking to spend between \$10,000 to \$15,000. Discussion followed. It was suggested that he contact Jim Bailey about a Benedum Mini Grant.

The Mayor and Mr. Ratliff or Mr. Chapman will visit each home on Mineral Road. The Mayor stated that he needs to resolve the animal issue first.

Sgt. Ballengee reported back to council that he had gone to the property in

question. He stated that you are halfway out in the road before you can see around the van. He spoke with the owner. He was told that Drake's was coming after the old vehicles tomorrow and that they would be able to move the van then.

## II. MINUTES:

Councilmember Fitzpatrick made a motion to approve the minutes of the February 18<sup>th</sup> at 10:00 A.M.; February 18<sup>th</sup> at 12:50 P.M.; March 3<sup>rd</sup> and March 13<sup>th</sup> meetings. Councilmember Grottendieck seconded. Motion passed.

## III. REPORTS:

### Street:

Street Commissioner Myers reported that the chairs have been fixed. Two street lights have been fixed. They have been picking up trash and cleaning drains.

Mr. Myers reported that a resident on College Street is wanting a handicap parking space. Discussion followed. Mr. Myers is to talk with this person to see about renting a space first.

### Police:

Chief of Police Davis gave a copy of the report to council. He stated that March was a slow month crime wise.

### Glenville Utility:

Councilmember Grottendieck reported that things are moving along with the sewer project.

### Treasurer:

Brenda gave copies of the report to council. She stated that the budget has been sent to Charleston. There is a meeting on April 15<sup>th</sup> at 7:30 A.M. to lay the levy. The quarterly items have been taken care of.

The copier if purchased will come out of Coal Severance. The Mayor reported that the approximate cost of a new printer is between \$2,000 and \$2,500. He stated that we may want to consider leasing a copier. If we lease, the maintenance will be included in the cost. Discussion followed. The Mayor will check on leasing a copier.

Councilmember Fitzpatrick made a motion to approve the Treasurer's Report as presented. Councilmember Cutlip seconded. Motion passed.

### Recorder:

Recorder reminded council that we need poll workers for the election on June 10.

Discussion followed.

Mayor:

The Mayor had a meeting with the Gilmer County Commission regarding the 911 service fee. The service fee has raised and they want us to increase our rate from \$650 to \$750. Discussion followed.

Contacted Greg Smith concerning work on the Heliport. He hopes to get started in the next few weeks.

County Commission has contacted the Mayor about a program called Metro Police Force. It would include county, city and college. This would be one united police force that could save money and possibly better coverage and non-overlapping time schedules, etc. Discussion followed. Council felt this is something that should be looked into.

Received a letter from the Department of Highways concerning curves and sidewalks not being maintained. Discussion followed. It was decided that we need to check the ordinance on sidewalk repairs.

Councilmember Fitzpatrick wanted to know if council should go on record that we support the No Smoking in Public Places. He stated that he would go on record as supporting the No Smoking Issue in the county. Mayor Putnam stated that he would also go on record supporting the smoking policy. Discussion followed. Tabled at this time.

#### IV. Old Business:

A representative from Carl Kelly Paving meet with the Mayor. The Mayor took him to several areas in the city. There is some extensive paving there and widening the intersection going up to the high school was discussed. The Mayor has no quotes but knows how much material is needed. The first thing to be done is write up a bid, advertise and get sealed bids. Discussion followed.

The Mayor will use the information he has to write up the specifications for the bids. Some things that need to be done, can be done by the city employees before the paving starts.

The street light at Gene Stalnaker Trailer Court has not been set.

The convex mirror has been ordered.

#### V. New Business:

There is trash building up at the apartments on Walnut Street. The Mayor asked

Mr. Myers if he would check on this.

It was mentioned that June Evans is still on the signature card to sign check.  
Discussion followed.

Councilmember Fitzpatrick made a motion to remove June Evans' name from the signature card. Councilmember Grottendieck seconded. Motion passed.

Councilmember Collins made a motion to put Councilmembers Cutlip and Miller on the signature card for signing checks. Councilmember Fitzpatrick seconded. Motion passed.

Councilmember Collins made a motion to adjourn the meeting. Councilmember Fitzpatrick seconded. Motion passed.

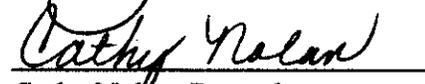
The meeting adjourned at 10:21 P.M.

Attest by:



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Joe Putnam, Mayor



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Cathy Nolan, Recorder

CITY OF GLENVILLE  
PUBLIC HEARING  
MAY 5, 1997

The meeting was called to order at 7:00 P.M. by Mayor Putnam with Councilmembers Miller, Grottendieck and Fitzpatrick present. Others present: Sheila Smith, Jeff Reed and Danny Lusk.

- ✓ This meeting is to hear from the public on the new rate for the sewerage system for the City of Glenville.

Mayor Putnam read the Ordinance Setting Forth Sewer Rates, Connection Charged, Delayed Payment Penalty, Reconnection Fee and Incremental Fee For Service To Customers of the Sewerage System of the City of Glenville.

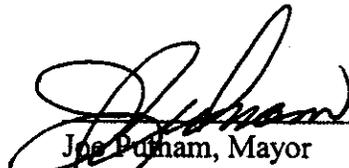
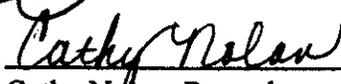
There was no one from the public for comment.

- ✓ Councilmember Grottendieck made a motion to adopt on the second reading an ordinance to establish AN ORDINANCE SETTING FORTH SEWER RATES, CONNECTION CHARGE, DELAYED PAYMENT PENALTY, RECONNECTION FEE AND INCREMENTAL FEE FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF GLENVILLE. Councilmember Fitzpatrick seconded. Motion passed.

Councilmember Fitzpatrick made a motion to adjourn the public hearing. Councilmember Grottendieck seconded. Motion passed.

The meeting adjourned at 7:25 P.M.

Attest by:

  
\_\_\_\_\_  
Joe Putnam, Mayor  
  
\_\_\_\_\_  
Cathy Nolan, Recorder

Glenville City Council Meeting  
Regular Session  
Monday Evening  
February 1, 1993

K. Bruce Smith      Mayor

Bill Grottendieck  
June Evans  
Jim Mencer      Council Members  
Bantz Collins  
Delbert Davidson

Beth Bassett      Treasurer

Jim James      Public  
Kyle Emerson      Glenville Democrat  
Freeman Nicholson      Glenville Utility

Charles Myers      Street Commissioner

1. The first order of business was to accept the resignation of Karen McWhirter as City Recorder and Treasurer. Included with Ms. McWhirter's letter of resignation, were her paychecks. She stated in her letter to Mayor Smith that she didn't feel that she "had worked to earn them". At that time he turned them over to the Treasurer to be voided.

Delbert Davidson moved to accept the resignation of Karen McWhirter as City Recorder and Treasurer. June Evans seconded. Motion carried. Unanimous vote.

- II. Jim James came before Council with a complaint regarding the congested parking conditions along River Street. Mr. James said that driving along that stretch of road was like driving on an "obstacle course". He also voiced concern that if needed, an emergency vehicle would not be able to get through. It was suggested that "No Parking" signs be placed at various points along River Street. After some discussion, it was decided that signs would not be a practical solution to the parking problem as they could be easily stolen.

Even though River Street is in the city limits, it is also a State Road. (St.Rt. 119) Mayor Smith said that he would contact an official of the State Road Commission and check into the possibility of having yellow lines painted as a viable alternative to the "No Parking" signs.

Freeman Nicholson presented to council for approval, a copy of a purposed rate increase from Glenville Utility. It calls for a 2% rate increase on water usage and a 10% rate increase for sewage use. Customers will not see the increase until they get their June 30th bills.

A motion was made by Bill Grottendieck to waive the first reading and approve an "ordinance to change rates, tolls, fee's and charges for furnishing water and sewer service: Repeal of any inconsistent ordinances and ordinances in conflict." June Evans seconded. Motion carried. Unanimous vote.

- III. A motion was made by June Evans to approve the minutes of the January 4, 1993 meeting of the Glenville City Council. Councilman Grottendieck seconded. Motion carried. Unanimous vote.

- IV. Financial report was given by appointed Treasurer Beth Bassett. Mayor Smith purposed to Council that Mrs. Bassett take over the position of City Treasurer until the end of the Fiscal year, June 30, 1993.

Delbert Davidson moved that as of February 1, 1993 Beth Bassett would take over the job of City Treasurer until June 30, 1993. Jim Mencer seconded. Motion carried. Unanimous vote.

V. A motion was made by Delbert Davidson to allow Mayor Smith to contact Anna J. Roguski in regard to filling the position of City Recorder until the end of this Fiscal year. Bill Grottendieck seconded. Motion carried. Unanimous vote.

VI. Street Department Report:

Street Commissioner Charles Myers reported to Council that the remaining "Christmas mess" had been cleared away. He also stated that his crew had been cleaning up trash and broken glass around town. Mr. Myers said that he had been trying, with out success to reach Mr. Englke regarding the trash and junked cars around his property. He said that he will continue to try and reach him.

VII. Police Report:

Chief Charles Davis was absent. Bill Grottendieck asked that the police look into the parking problem on River St.

A motion was made by June Evans to approve the January Police Report. Bill Grottendieck seconded. Motion carried. Unanimous vote.

VIII. Council Comments:

Mayors Comments:

Meeting with the Mountain State Water and Soil Conservation Commission. Feb. 25,1993 was the tentative date set. Municipal Election to be held June 8,1993. Filing deadline is Feb. 6,1993.

IX. June Evans moved to adjourn the meeting at 8:25pm.  
Bill Grottendieck seconded. Motion carried. Unanimous vote.

Glenville City Council Meeting  
Regular Session  
Monday Evening  
March 1, 1993

K. Bruce Smith      Mayor  
Diane Conley      Recorder  
Beth Bassett      Treasurer

Bill Grottendieck  
June Evans  
Jim Mencer      Council Members  
Delbert Davidson

Charles Myers      Street Commissioner  
Charles Davis      Police Chief

Jim Bailey      Mountain Views  
Kyle Emerson      Glenville Democrat  
Lowell Williams      Public  
Nick Bassett      Public  
Freeman Nicholson      Glenville Utility

- I. The first order of business was to appoint a new Recorder. Delbert Davidson moved to appoint Diane Conley as City Recorder until the end of this fiscal year, June 30, 1993. June Evans seconded. Motion carried. Unanimous vote.
  
- ✓ II. As no member of the public appeared before council to make a comment or register a complaint concerning the rate increase purposed by Glenville Utility, a motion was made by councilman Bill Grottendieck to waive the second reading and approve " an ordinance to change rates, tolls, fees, and charges for furnishing water and sewer service: Repeal of any inconsistent ordinances and ordinances in conflict." This ordinance becomes effective April 15, 1993. June Evans seconded. Motion carried. Unanimous vote.
  
- III. Jim Bailey of Mountain Views came before council with comments and questions. First, he asked if any member of council or the Mayor had been contacted regarding the violence on Main Street among college students. The Mayor at that time turned the discussion over to Police Chief Charles Davis. He assured Mr. Bailey that everything was under control and that arrests had been made. Mr. Bailey suggested that Race Relations Training be looked into for college students, citizens and business owners.  
Next, Mr. Bailey asked if council had been informed of the problems involving the Gilmer Public Library, s hiring procedures, that had prompted an investigation by the State Library Commission. The Mayor said that neither the Library Board nor the Library Commission had contacted him or council.  
Mr. Bailey's final comments were in regard to downtown Glenville. He asked if Council was aware that between thirty and thirty-two thousand dollars in E.D.A. Funds may be available for Main St. development. The Mayor said that the possibility of the city obtaining the money was looked into once before and Glenville at that time had not been able to meet certain guidelines that were outlined in the Grant. The Mayor got Council's approval to check into the matter further and report next meeting.
  
- IV. After it was advised that three amendments be made, Bill Grottendieck made a motion to approve the minutes of the Feb. 1, 1993 meeting of Glenville City Council. June Evans seconded. Motion carried. Unanimous vote.
  
- V. Financial Report was given by Beth Bassett. She reported to Council that the budget was holding steady after February. Exceptional B&O. Spending was lower than last year at County level. Police expenses: Budget for equipment had to be cut.

V. ( Cont. )

Even though the City needs a new cruiser, the Mayor says that it is important to use the old ones another year if possible. \$4,000 has been put aside for repairs on the ones in use now. Expect to start paving this month. Street Levy, next election.

The Mayor expressed regret that no money is available at this time to cover employee pay raises. He praised the employees, saying that all were doing a wonderful job. Even though a raise is not possible right now, he did stress that employees do have a good Health Insurance package.

A meeting has been set for Thursday eve. March 11, 1993 to approve the budget and appoint Zoning Commissioners. Auditor is due next week.

Delbert Davidson moved to remove Beth Bassett's name from the check authorization card and put Diane Conley's name on. Bill Grottendieck seconded. Motion carried. Unanimous vote.

June Evans moved to approve the Financial Report for February 1993. Delbert Davidson seconded. Motion carried. Unanimous vote.

- VI. 1. Street Commissioner Myers reported to Council that he and his crew had been busy clearing away snow and ice after the storm. It is also planned to start laying rock on Sheridan Street soon.

Delbert Davidson asked Council to approve the purchase of three street signs for his Ward, Walnut/ Center and Center. Bill Grottendieck moved to approve the purchase of the street signs for Delbert's Ward. Jim Mencer seconded. Motion carried. Unanimous vote.

Bill Grottendieck asked Street Commissioner Myers to continue to check the house on College Street for trash on the porch and in front of the house.

2. Gerry Hough's Property: City holds the deed. All were in agreement that a park would certainly improve the appearance of River St. The one concern that everyone has is the old house that sits next to the "Park" property. All present were concerned with children's safety. Jim Mencer made a motion to execute the deed for property on River St. and begin building the City Park. Delbert Davidson seconded. Motion carried. Unanimous vote.

3. Next, Delbert Davidson spoke to council on behalf of Lowell Williams. Mr. Williams is interested in starting a bike path in Glenville. There is Grant money available for this project. The bike path will not be a part of the Watershed project or the dam. It was suggested that "Patchwork" or the area Scout Troops may be interested in maintaining the recreational area. When the County representative returns from Washington a meeting will be scheduled.

4. Charles Myers spoke to Mr. Marshall of the State Road Commission. According to Mr. Marshall, the only way to eliminate the parking problem on River St. would be to abolish all parking.

Mayor Smith suggested that one side "No Parking" be looked into. At that time Jim Mencer made a motion to check into the possibility of "No Parking" signs being placed on River St., going East from the church to the City limits on the South side and "No Parking" signs going West from the church to the old bridge on the North side. Delbert Davidson seconded. Motion carried. Unanimous vote.

VII. Police Department Report:

A copy of February's Police report was presented to Council for approval. Bill Grottendieck made a motion to approve the Feb. 1993 Police Report. June Evans seconded. Motion carried. Unanimous vote.

Jim Mencer asked if Chief Davis was aware of an incident on River St. involving a car that had parked with all four tires on the blacktop. Officers were called and they responded, but no action was taken against the offender. Chief Davis said that he was not aware of any such complaint, but he would check into it. It was also reported that arrests and complaints were down from last month.

Bill Grottendieck asked that Police keep checking for "Yellow Line" parking on College St.

VII. Diane Conley reported that preparations for the Municipal Election to be held in June, 1993 are going according to schedule. Each Councilmember made their recommendations for Election workers.

Bantz: Mrs. John ~~Wolfe~~ *White*  
Bill: Mrs. Eloyese Wolfe  
June: Mrs. Jean Rhodes  
Delbert: Mrs. Lenita Reale  
Jim: Mrs. Sharon Mencer

Ballot Commissioners: Mindi Fitzpatrick and Beth Bassett

June Evans made a motion to approve the choices for Poll workers and Ballot Commissioners for the Municipal Election to be held on June 8, 1993. Delbert Davidson seconded. Motion carried. Unan. vote.

Budget for Election worker's pay was set at \$49.95 or \$50.00.

VIII. Council Comments:

June Evans reported to Council that she had heard a lot of complaint regarding Gerald Houghs apartments on Main Street in Glenville.

There was a great deal of concern over this matter as the legality of such a dwelling in the business district was questioned. It was advised that all City Ordinances and Zoning laws be looked into.

Mayors Comments:

Set up meeting for Zoning Board of Appeals. Hearing on Zoning Variance. Also, need to appoint a new Zoning Board member from Bantz Collin's ward.

Delbert Davidson made a motion to appoint new Zoning Board members during the Budget meeting on March 11, 1993. Bill Grottendieck seconded. Motion carried. Unanimous vote.

IX. Mayor Bruce Smith called for an adjournment of the March 1, 1993 meeting of the Glenville City Council at 9:53 p.m. Delbert Davidson moved to adjourn. June Evans seconded. Motion carried. Unanimous vote.

ATTEST;

*Diane Conley*  
Recorder

MAYOR

*Bruce Smith*



# Affidavit of Publication

## CITY OF GLENVILLE NOTICE OF PUBLIC HEARING ON BOND ORDINANCE

A public hearing will be held on the following entitled Ordinance at a special meeting of the Council of the City of Glenville (the "City") to be held on October 19, 1998, at 7:30 p.m., in the Council chambers at the Glenville City Hall, Glenville, 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 CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF GLENVILLE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,450,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1998 (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

The above-entitled Ordinance was adopted by the Council of the City on October 5, 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 additions, betterments and improvements to the sewerage portion of the existing combined waterworks and sewerage system of the City. The Bonds are payable solely from revenues to be derived from the ownership and operation of the combined waterworks and sewerage system of the City. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the Recorder of the City for review by interested parties during regular office hours.

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

Dated: October 8, 1998.

By Joe Putnam, Mayor  
Legal Class # 0 10-15c

## STATE OF WEST VIRGINIA COUNTY OF GILMER, to wit:

I, David H. Corcoran, being first duly sworn upon my oath, do depose and say that I am publisher of

The Glenville Democrat, a Democrat newspaper published weekly for at least 51 weeks during the calendar year in Glenville, Gilmer County, West Virginia, that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia 1931, as amended, within the publication area, or areas, of said municipality and county and adjoining counties of Gilmer; 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; that the annexed notice of

Public Hearing on Bond Ordinance

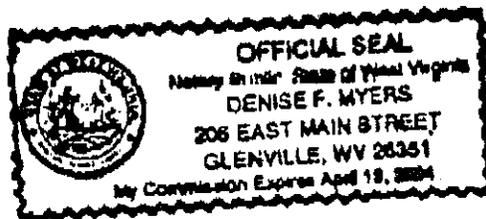
was duly published in said newspaper once a week for 2 successive weeks (Class II), commencing with the issue of the 8 day of October, 1998 and ending with the issue of the 15 day of October, 1998

That the cost of publishing said annexed notice as aforesaid was \$ 59.41

Signed David H. Corcoran, Publisher

Taken, subscribed, and sworn to before me in my said county this 15 day of October, 1998  
My commission expires 1-13-2004

Denise F. Myers  
Notary Public of Gilmer County, West Virginia



# Affidavit of Publication

## CITY OF GLENVILLE NOTICE OF PUBLIC HEARING ON BOND ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a special meeting of the Council of the City of Glenville (the "City") to be held on October 19, 1998, at 7:30 p.m., in the Council chambers at the Glenville City Hall, Glenville, 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 CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF GLENVILLE, AND THE FINANCING THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,450,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1998 (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

The above-entitled Ordinance was adopted by the Council of the City on October 5, 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 additions, betterments and improvements to the sewerage portion of the existing combined waterworks and sewerage system of the City. The Bonds are payable solely from revenues to be derived from the ownership and operation of the combined waterworks and sewerage system of the City. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file with the Council at the office of the Recorder of the City for review by interested parties during regular office hours.

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

Dated: October 8, 1998.

By: Joe Puthen, Mayor  
Legal Class II-0 10-15c

STATE OF WEST VIRGINIA  
COUNTY OF GILMER, to wit:

I, David H. Corcoran, being first duly sworn upon my oath, do depose and say that I am publisher of

The Glenville Pathfinder, a Republican newspaper published weekly for at least 51 weeks during the calendar year in Glenville, Gilmer County, West Virginia, that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia 1931, as amended, within the publication area, or areas, of said municipality and county and adjoining counties of Gilmer; 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; that the annexed notice of

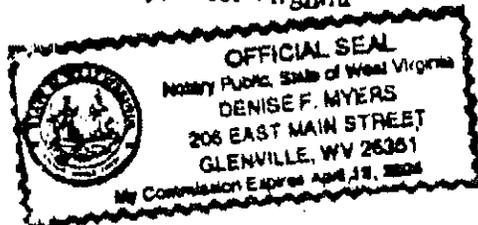
Public Hearing on Bond Ordinance

was duly published in said newspaper once a week for 2 successive weeks (Class II-4), commencing with the issue of the 8 day of October, 1998 and ending with the issue of the 15 day of October, 1998.  
That the cost of publishing said annexed notice as aforesaid was \$ 23.67.

Signed David H. Corcoran, Publisher

Taken, subscribed, and sworn to before me in my said county this 15 day of October, 1998.  
My commission expires 4-13-2004

Denise F. Myers  
Notary Public of Gilmer County, West Virginia





CITY OF GLENVILLE

Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

MINUTES ON ADOPTION AND ENACTMENT  
OF BOND ORDINANCE (FIRST READING)

The undersigned Recorder of the City of Glenville (the "City") hereby certify that the following is a true and correct excerpt of the minutes of a special meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in special session, pursuant to notice duly given, on the 28th day of September, 1998, in Glenville, West Virginia, at the hour of 7:30 p.m.

PRESENT: Joe Putnam	-	Mayor
Dennis T. Fitzpatrick	-	Councilmember
Barbara Kay Miller	-	Councilmember
William J. Grottendieck, III	-	Councilmember
Garry Kight	-	Councilmember
ABSENT: Cathy Nolan	-	Recorder
Pamela C. Cutlip	-	Councilmember

The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Mayor presented a proposed Bond Ordinance in writing entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF GLENVILLE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,450,000 IN AGGREGATE PRINCIPAL AMOUNT

OF COMBINED WATERWORKS AND SEWERAGE SYSTEM  
REVENUE BONDS, SERIES 1998 (UNITED STATES  
DEPARTMENT OF AGRICULTURE); DEFINING AND  
PRESCRIBING THE TERMS AND PROVISIONS OF THE  
BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND  
REMEDIES OF AND SECURITY FOR THE HOLDER OF THE  
BONDS; AND PROVIDING WHEN THIS ORDINANCE  
SHALL TAKE EFFECT

and caused the same to be read and there was discussion. Thereupon, on motion duly made and seconded, it was unanimously ordered that the above-entitled Ordinance be adopted upon first reading.

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

  
\_\_\_\_\_  
Mayor

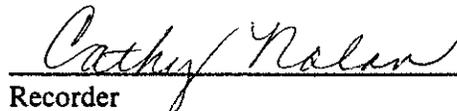
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I further hereby certify that the foregoing action of the Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 21st day of October, 1998.

  
\_\_\_\_\_  
Recorder

10/12/98  
333300/97001

CITY OF GLENVILLE

Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

MINUTES ON ADOPTION AND ENACTMENT  
OF BOND ORDINANCE (SECOND READING)

The undersigned Recorder of the City of Glenville (the "City") hereby certify that the following is a true and correct excerpt of the minutes of a regular meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in regular session, pursuant to notice duly given, on the 5th day of October, 1998, in Glenville, West Virginia, at the hour of 7:30 p.m.

PRESENT: Joe Putnam	-	Mayor
Cathy Nolan	-	Recorder
Dennis T. Fitzpatrick	-	Councilmember
Barbara Kay Miller	-	Councilmember
William J. Grottendieck, III	-	Councilmember
Garry Kight	-	Councilmember
Pamela C. Cutlip	-	Councilmember

ABSENT: None.

The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it. He stated that the proposed Bond Ordinance heretofore passed on first reading would be considered upon second reading.

Thereupon, the Mayor presented the proposed Bond Ordinance for adoption upon second reading and caused the same to be read as follows:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF GLENVILLE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE

OF COMBINED WATERWORKS AND SEWERAGE SYSTEM  
REVENUE BONDS, SERIES 1998 (UNITED STATES  
DEPARTMENT OF AGRICULTURE); DEFINING AND  
PRESCRIBING THE TERMS AND PROVISIONS OF THE  
BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND  
REMEDIES OF AND SECURITY FOR THE HOLDER OF THE  
BONDS; AND PROVIDING WHEN THIS ORDINANCE  
SHALL TAKE EFFECT

Thereupon, on motion duly made and seconded, it was unanimously ordered that the above-entitled Ordinance be adopted on second reading.

\* \* \*

\* \* \*

\* \* \*

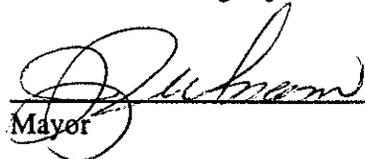
Pursuant to the Bond Ordinance, it was ordered that there be published a notice of public hearing together with an abstract of the Bond Ordinance, which the Council determined to contain sufficient information to give notice of the contents of the Bond Ordinance, once a week for two successive weeks as provided in the Bond Ordinance, said public hearing to be held before this Council upon said Bond Ordinance at the hour of 7:30 p.m. on the 19th day of October, 1998, all in accordance with the requirements of statute.

\* \* \*

\* \* \*

\* \* \*

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

  
\_\_\_\_\_  
Mayor

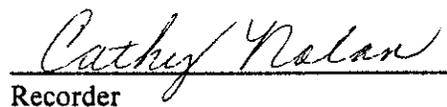
\* \* \*

\* \* \*

\* \* \*

I further hereby certify that the foregoing action of said Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 21st of October, 1998.

  
\_\_\_\_\_  
Recorder

10/16/98  
333300/97001

CITY OF GLENVILLE

Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

MINUTES ON ADOPTION AND ENACTMENT OF BOND ORDINANCE  
(THIRD READING FOLLOWING PUBLIC HEARING)

The undersigned Recorder of the City of Glenville (the "City") hereby certify that the following is a true and correct excerpt of the minutes of a special meeting of the Council of the City:

\* \* \*

\* \* \*

\* \* \*

The Council of the City met in sepcial session, pursuant to notice duly given, on the 19th day of October, 1998, in Glenville, West Virginia, at the hour of 7:30 p.m.

PRESENT: Joe Putnam	-	Mayor
Cathy Nolan	-	Recorder
Dennis T. Fitzpatrick	-	Councilmember
Barbara Kay Miller	-	Councilmember
William J. Grottendieck, III	-	Councilmember
Garry Kight	-	Councilmember

ABSENT: Pamela C. Cutlip	-	Councilmember
--------------------------	---	---------------

The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it. He stated that the proposed Bond Ordinance heretofore passed on first and second readings would be subject to protests and suggestions from any interested person at this time in accordance with the publication of an abstract of the Bond Ordinance and a Notice of Hearing, which publication has been duly made, and the Mayor called for protests and suggestions as to the Bond Ordinance and all persons desiring to protest the Bond Ordinance or to make any suggestions with reference thereto were heard.

There being no protests or suggestions made as to the Bond Ordinance, the Mayor thereupon stated that it would be in order to consider the Bond Ordinance for final enactment and the Mayor caused the Bond Ordinance to be read as follows:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE SEWERAGE PORTION OF THE EXISTING PUBLIC COMBINED WATERWORKS AND SEWERAGE SYSTEM OF THE CITY OF GLENVILLE, AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED THEREOF, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,450,000 IN AGGREGATE PRINCIPAL AMOUNT OF COMBINED WATERWORKS AND SEWERAGE SYSTEM REVENUE BONDS, SERIES 1998 (UNITED STATES DEPARTMENT OF AGRICULTURE); DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDER OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

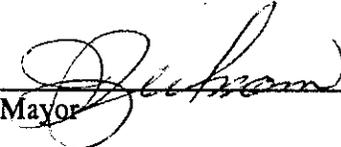
Thereupon, on motion duly made and seconded, it was unanimously ordered that the above-entitled Ordinance be finally enacted and put into effect immediately.

\* \* \*

\* \* \*

\* \* \*

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

  
\_\_\_\_\_  
Mayor

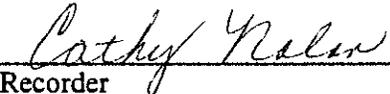
\* \* \*

\* \* \*

\* \* \*

I further hereby certify that the foregoing action of the Council remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 21st of October, 1998.

  
\_\_\_\_\_  
Recorder

10/16/98  
333300/97001



UNITED STATES  
DEPARTMENT OF  
AGRICULTURE

RURAL  
DEVELOPMENT

Work Copy A/O  
Federal Building, Room 320  
75 High Street  
Morgantown, WV 26505-7500  
TELEPHONE: (304) 291-4796  
FAX: (304) 291-4032  
TTY/TDD: (304) 284-5941

COPY

February 18, 1997

The Honorable Joe Putnam  
Mayor, Town of Glenville  
20 North Court Street  
Glenville, WV 26351

Dear Mayor Putnam:

This letter, with attachments 1 through 10 and enclosures, establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by the Rural Utilities Service (RUS) by written amendment to this letter. Any changes not approved by RUS shall be cause for discontinuing processing of the application.

The Rural Utilities Service Water and Waste Disposal Loan and Grant Program is administered by USDA - Rural Development, formerly known as the Farmers Home Administration.

This letter is not to be considered as loan and grant approval or as representation to the availability of funds. The docket may be completed on the basis of an RUS loan not to exceed \$1,450,000, an RUS grant not to exceed \$400,000 and other funding in the amount of \$1,250,000, for a total project cost of \$3,100,000. The other funding is planned in the form of a grant(s) from HUD - Small Cities Block Grant.

If the loan is made, you may make a written request that the interest rate be the lower of the rate in effect at the time of loan approval or the time of loan closing. If you do not request the lower of the two interest rates, the interest rate charged will be the rate in effect at the time of loan approval. The loan will be considered approved on the date a signed copy of Form FmHA 1940-1, "Request for Obligation of Funds," is mailed to you. If you want the lower of the two rates, your written request should be submitted to RUS as soon as practical. In order to avoid possible delays in loan closing, such a request should ordinarily be submitted at least 30 calendar days before loan closing.

20A

USDA - Rural Development is an Equal Opportunity Lender. Complaints of discrimination should be sent to: Secretary of Agriculture, Washington, D.C. 20250

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. The enclosures and attachments listed below are attached to the copies as noted. Enclosed are the following:

- Attachment No. 1 - Final Project Planning Factors  
(All Copies)
- Attachment No. 2 - Town of Glenville Loan and Grant Docket  
Table of Contents (All Copies)
- Attachment No. 3 - FmHA Instruction 1942-A, Section 1942.17  
(Applicant Copy)
- Attachment No. 4 - FmHA Instruction 1942-A, Section 1942.18  
(Engineer Copy)
- Attachment No. 5 - FmHA Instruction 1942-A, Section 1942.19  
(Attorney and Bond Counsel Copies)
- Attachment No. 6 - FmHA Supplemental General Conditions  
(Engineer Copy)
- Attachment No. 7 - Standards for Audit of Governmental  
Organizations, Programs, Activities and Functions  
(Accountant's Copy)
- Attachment No. 8 - U.S. Department of Agriculture Farmers  
Home Administration Audit Program, December 1989  
(Accountant's Copy)
- Attachment No. 9 - Sample Credit Agreement (Applicant and  
Attorney Copies)
- Attachment No. 10 - Various other FmHA Forms as identified  
on Attachment No. 2

Your documents concerning the creation of your authority are administratively acceptable; however, they will be further reviewed by our Office of the General Counsel at the time your file is forwarded for closing instructions. Any changes required by our Office of the General Counsel will be included in the closing instructions.

The conditions referred to above are as follows:

- OK 1. Loan Repayment - The loan will be scheduled for repayment over a period of 40 years. The payments due the first 24 months will consist of interest only. Payments for the remaining 456 months will be equal amortized monthly installments. For planning purposes use a 4.5% interest rate and a monthly amortization factor of .00459, which provides for a monthly payment of \$6,656.00. You have the option of participating in the PREAUTHORIZED DEBIT (PAD) payment process. It will allow for your payment to be electronically debited from your account on the day your payment is due. Your authority must establish and fund monthly a debt service reserve account in an amount equal to at least 1/10th of your monthly debt service payment.

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

- OK 2. Security - The loan must be secured by a statutory lien of equal priority with the City's 1973 and 1988 (RUS) revenue bond issues, but junior and subordinate in priority to the City's existing 1963 revenue bond issue, and by a pledge of the system's revenues and other agreements between you and the lender (RUS) as set forth in the bond ordinance which must be properly adopted and executed by the appropriate officials of your organization. Additional security requirements are contained in Form FmHA 1942-31 and Form FmHA 1942-47 which are mentioned later.
- OK 3. Users - This conditional commitment is based upon your providing evidence that you will have at least 704 bona fide users on the proposed system when it has been completed and is placed in operation. This evidence will consist of signed users agreements and a certification from you that identifies and attests to the number of users that are actually connected to and using the Town's existing sewer system, which is to be totally replaced by the new system, at the time you request authorization to advertise the proposed project for construction bids.
- Step 2  
OK 4. Bond Counsel - The services of a recognized bond counsel are required. The bond counsel will prepare the form of ordinance to be used, in accordance with Section 1942.19 of FmHA Instruction 1942-A. You should immediately provide your bond counsel with a copy of this letter of conditions, its attachments and enclosures.
- OK 5. Professional Services - The professional services contracts you have entered into with your attorney and engineer have been reviewed and approved. The planned costs for these services are included in Attachment No. 1.
6. Facility Control - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Such evidence must be in the following form:
- a. A right-of-way map showing clearly the location of all lands and rights needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.

- b. A copy of deeds, contracts or options for any lands needed other than rights-of-way, along with a preliminary title opinion covering such lands. Form FmHA 1927-9, "Preliminary Title Opinion," may be used. Also, in the case of existing systems or where the Town has already acquired real property (land or facilities), a preliminary title opinion(s) concerning all such property(s) will be provided.
  - c. A narrative opinion from your attorney concerning all permits, certifications and other items necessary to show that all legal requirements can be met and stating how they will be met. This narrative should also identify any condemnation proceedings that are anticipated and state how they will be handled.
  - d. A copy of the right-of-way easements for any rights-of-way needed on private lands. Form FmHA 442-20, "Right-of-Way Easement," may be used. Each easement need not be provided this office; however, each must be available for review. A copy of the easement being used must be provided.
  - e. A certification and legal opinion relative to title to rights-of-way and easements. Form FmHA 442-21, "Right-of-Way Certificate," and Form FmHA 442-22, "Opinion of Counsel Relative to Rights-of-Way," may be used. These forms may contain a few exceptions such as properties that must be condemned; however, prior to the start of construction or loan closing, whichever occurs first, new Forms, FmHA 442-21 and 442-22, must be provided which do not provide for any exceptions.
  - f. On the day of loan closing, the Town's attorney must furnish final title opinions on all land(s) being acquired. Form FmHA 1927-10, "Final Title Opinion" may be used. In the case of existing systems or where the Town has already acquired real property(s) (land or facilities), the Town's attorney will provide a separate final title opinion(s) covering such property(s) on the day of loan closing.
7. Permits - Copies of all permits needed for the project must be provided for review prior to advertisement for construction bids. Such permits will include but are not limited to the following:
- OK - West Virginia Department of Highways
  - N.S. - Railroads
  - OK - State Department of Health
  - Department of Environmental Protection (formerly DNR)
  - Public Land Corporation

- ~~8.~~ 8. Public Service Commission Approvals and Rates - You must determine that the Certificate of Convenience and Necessity which you now have from the Public Service Commission of West Virginia is adequate to cover the entire area to be served by the proposed system. If it is not adequate, a new certificate must be obtained and a copy provided for RUS. If it is determined the Town's present certificate is adequate, written evidence of that fact must be provided RUS. The Town must properly develop, adopt, and promulgate the required rates in accordance with the applicable provisions of Article I, Chapter 24 of the Code of West Virginia, as amended, and to the satisfaction of your bond counsel. The rate ordinance as adopted must include, as a minimum, all the rate related items (everything except project costs section, the use analysis section, and the operation and maintenance expense breakdown section) contained in the attached project planning factors (Attachment No. 1). The draft rate ordinance must be provided for RUS review and concurrence prior to its adoption.
- OK 9. Accounting - You must obtain the services of a qualified accountant. That accountant must agree (by letter) to develop and provide the following:
- a. All necessary accounting material required by the Public Service Commission of West Virginia (Rule 42, (if applicable)).
  - b. Prior to advertisement for bids, your accountant must state in writing that he will establish your accounts and records in accordance with the requirements of the ordinance, and the requirements of the Public Service Commission within 20 days from the notice to do such.
  - c. Prior to the start of construction, the accountant must certify that the accounts and records as required in (b) above have been established and are operational.

A representative of my office will review your accounts and records prior to authorizing the issuance of award(s) to the contractor(s). FmHA regulations (Attachment No. 3) outline requirements for the submission of management reports and audits. Appropriate state statutes place certain audit requirements for your Town. The attached booklet, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions," (Attachment No. 7) and "U. S. Department of Agriculture Farmers Home Administration Audit Program," (December 1989) (Attachment No. 8) outlines audit requirements. You are reminded that certain provisions of Office and Management and Budget Circular A-128 are applicable to any public body that received \$100,000 or more in federal funds in any

one year. You must enter into an agreement annually with an accountant (or the State Tax Commission) to perform the audit. The agreement must be in accordance with the requirements of the State Tax Commissioner of West Virginia.

Audit Reports must be prepared to comply with the requirements of OMB Circular A-128 or A-133, as applicable.

OK 10. Insurance and Bonding Requirements:

a. Prior to preliminary loan closing, you must acquire the following insurance and bond coverage:

OK (1) Liability Insurance - Personal Liability - \$500,000; Property Damage - \$200,000-\$200,000. The limits of liability coverage noted herein should be considered as suggested amounts only. RUS recommends that you consider analyzing your actual needs in detail before you obtain coverage in a specific amount.

(2) Workers' Compensation - In accordance with appropriate State laws.

OK (3) Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. As a good business practice you will probably wish to have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to RUS will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s). Form FmHA 440-24, "Position Fidelity Bond," may be used.

OK (4) National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition and/or construction in designated special flood or mudslide prone areas:

(a) If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.

(b) Applicants whose buildings, machinery or equipment are to be located in a community which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.

OK (5) Real Property Insurance - Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein. This does not apply to water reservoirs, standpipes, elevated tanks or noncombustible materials used in treatment plants, clearwells, filters and the like.

OK 11. You are, have been or may be approved to become, a recipient of Federal financial assistance from the United States Department of Agriculture. In the case of Paralyzed Veterans of America, et al, Plaintiff, V. William French Smith, et al, Defendants, United States District Court, Central District of California, No. 79-1979 WPG, the Honorable William P. Gray ordered the United States Department of Agriculture to notify you that as a recipient of such assistance you are required to comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794), even though the United States Department of Agriculture has not yet issued final regulations implementing Section 504 of the Rehabilitation Act.

Section 504 of the Rehabilitation Act is designed to assure that those who receive Federal financial assistance will not discriminate against handicapped persons. It provides in relevant part as follows:

"No otherwise qualified handicapped individual in the United States. . . shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Effective June 3, 1977, the Department of Health and Human Services issued final regulations implementing Section 504 as it applies to recipients of Federal financial assistance from that agency (45 C.F.R. Part 84). You may look to the HHS regulation for guidance as to your obligation under Section 504 of the Rehabilitation Act.

12. Contract Documents, Final Plans and Specifications:

a. The contract documents should consist of the following:

- (1) FmHA Instruction 1942-A, Guide 19, "Agreement," and Attachments 1-9 (Attachment No. 4) or other agreement approved by RUS.
- (2) FmHA Supplemental General Conditions (Guide 18, 4-6-92 Revised WV). One copy of this item is attached hereto (Attachment No. 6). Additional copies must be reproduced by the engineer.

b. The Contract documents must provide, as a minimum, the following insurance:

(1) Liability Insurance - Personal Liability - \$500,000; Property Damage - \$200,000-\$200,000. (This coverage must include indemnification of the Town and its engineer.) FmHA Guide 18 suggests certain limits of liability for insurance coverage. Those limits should be considered as minimum requirements only. It is recommended you consider increasing the given limits of liability after analyzing your specific needs.

(2) Builder's Risk Insurance - On all structures and mechanical and electrical equipment in place or stored on the site to the full insurable value thereof.

(3) Workers' Compensation - In accordance with applicable State laws.

c. The contract documents and final plans and specifications must be submitted to RUS for approval.

d. The project must be designed in compliance with Section 504 of the Rehabilitation Act of 1973.

13. Interim Financing - Interim financing will be used for the RUS loan if it is available at reasonable rates and terms. You must provide RUS with a copy of the tentative agreement reached in connection with interim financing. The enclosed Sample Credit Agreement (Attachment No. 9) is an acceptable agreement and may be used.

OK 14. Disbursement of Funds - The RUS funds will be advanced as they are needed in the amount(s) necessary to cover RUS's proportionate share of any disbursements required of your Town, over 30 day periods. Any funds not disbursed immediately upon receipt must be deposited in an interest bearing account in accordance with OMB Circular A-133. Interest earned on these funds must be remitted promptly, at least quarterly, to the Rural Utilities Service. The Town must assure that all project funds are expended only for the eligible items included in the final project budget or as may be later approved by RUS.

OK 15. Other Grants - Prior to advertisement for construction bids, you must provide evidence showing the approval of the other grants. This evidence should include a copy of the grant award. Prior to award of the contract(s) to the contractor(s), you must provide evidence that the "other"

grant funds are available for expenditure. This evidence should consist of at least a letter from the grantor stating the funds are available for expenditure.

- o/c 16. At a properly called meeting, you must adopt and properly execute the following forms, and minutes showing the adoption must be provided:

Form FmHA 442-7 - "Operating Budget"

Form FmHA 1940-1 - "Request for Obligation of Funds"

Form FmHA 1942-31 - "Association Water or Sewer System Grant Agreement"

Form FmHA 1942-47 - "Loan Resolution -- (Public Bodies)"

Form FmHA 400-1 - "Equal Opportunity Agreement"

Form FmHA 400-4 - "Assurance Agreement"

Form AD 1047 - "Certification Regarding Debarment - Primary"

Form AD 1049 - "Certification Regarding Drug-Free Workplace"

Form FmHA 1910-11 - "Applicant Certification, Federal Collection Policies"

FmHA Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans"

Standard Form LLL - "Disclosure of Lobbying Activities" (If Applicable)

17. The enclosed Loan Processing Checklist (Attachment No. 2) outlines the items needed to complete the loan and grant docket. All the items listed must be included in the loan and grant docket when it is forwarded to the USDA - Rural Development State Office with a request for loan closing instructions to be issued.
18. Upon receipt of the loan and grant docket, which contains all the items required above, RUS may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide RUS with (a) a bid tabulation, (b) recommendations from you and your engineer as to the acceptability of the bids received, and (c) your recommendations for contract awards. If all parties then agree the construction bids received are acceptable, it is determined that adequate funds are available to cover the total facility costs, and that all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met before the loan can be closed. When all parties agree that the closing requirements can be met, a mutually acceptable date for the loan closing will be scheduled.

Attached is a copy of Form FmHA 1942-31, "Association Water and Sewer System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

Any applicant contribution shall be considered as the first funds expended. After providing for all authorized costs, any remaining RUS project funds will be considered to be RUS grant funds and refunded to RUS. If the amount of unused RUS project funds exceeds the RUS grant, that part would be RUS loan funds.

In accordance with the intent of Congress as expressed in the FY 1997 Appropriations Act, recipients of Water and Waste assistance provided by the Rural Utilities Service are encouraged, in expending the assistance, to purchase only American-made equipment and products.

Please complete and return the enclosed Form FmHA 1942-46, "Letter of Intent to Meet Conditions," if you desire further consideration be given your application.

If the conditions set forth in this letter are not met within six (6) months from the date hereof, RUS reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within the six-month period and it is determined the authority still wishes to proceed, it will be necessary that the proposed budget be reviewed again in detail. If during that review, it is determined the budget is no longer current and/or adequate, RUS reserves the right to require that it be revised or replaced.

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

Sincerely yours,

  
ROBERT D. LEWIS  
State Director

Enclosures

cc: Administrator, RUS  
ATTN: Water and Waste  
Disposal Division  
Washington, DC  
  
Rural Development Specialist  
Elkins, WV  
  
(Accountant)

Timothy B. Butcher  
Attorney at Law  
Glenville, WV  
  
(Bond Counsel)  
  
Woolpert Consultants  
ATTN: Danny Lusk  
Charleston, WV

Project Planning Factors

The following estimates are to be used as a basis for project planning and must not be changed without prior approval of RUS:

<u>Project Costs</u>	<u>SCB Grant</u>	<u>RUS Grant</u>	<u>RUS Loan</u>	<u>Total</u>
Administration	\$ 24,000			24,000
Construction	1,091,750	\$180,000	\$1,102,650	\$2,374,400
Construction Contg		115,000		115,000
Land and Rights		3,500	21,500	25,000
Legal Fees		3,000	17,000	20,000
Engineering Fees	134,250	28,000	169,700	331,950
Basic \$167,800				
Insp. 115,150				
Spec. 49,000				
Bond Counsel		850	9,150	10,000
Interest			130,000	130,000
Proj. Contg.		69,650		69,650
TOTALS	\$1,250,000	\$400,000	\$1,450,000	\$3,100,000

Rates

Available for general domestic and commercial services in entire district served within the corporation.

Sewer Rates within the Corporation

Sewer bills shall be rendered on the basis of the number of gallons of water used per month as follows:

First 3,000 gals. used per month -	\$5.06 per 1,000 gals.
Next 3,001 - 6,000 gals. used per month -	\$4.75 per 1,000 gals.
Next 6,001 - 10,000 gals. used per month -	\$4.26 per 1,000 gals.
Next over 10,001 gals. used per month -	\$3.88 per 1,000 gals.

Minimum Monthly Charge for Sewer Service within the Corporation

No sewer bill shall be rendered for less than \$15.18 per month for each unit, family office or business or any apartment building, duplex, house or office building.

Connection Fees for Sewer Service within the Corporation

The connection fee to be charged to all new services shall be \$200.00, or the actual expense, whichever is greater.

Availability of Service

Available for general domestic and commercial service in entire district served OUTSIDE THE CORPORATION.

Sewer Rates Outside the Corporation

Sewer bills shall be rendered on the basis of the number of gallons of water used per month as follows:

First 3,000 gallons used per month -	\$6.18 per 1,000 gal.
Next 3,001 - 6,000 gallons used per month -	\$5.82 per 1,000 gal.
Next 6,001 - 10,000 gallons used per month -	\$5.34 per 1,000 gal.
Next over 10,001 gallons used per month -	\$4.86 per 1,000 gal.

Minimum Monthly Charge for Sewer Service Outside the Corporation

No sewer bill shall be rendered for less than \$18.54 per month for each unit, family, office or business or any apartment building, duplex, house or office building.

Connection Fees for Sewer Outside the Corporation

The connection fee to be charged to all new services shall be \$200.00, or the actual expense, whichever is greater.

Delaved Payment Penalty

All sewer bills are payable when rendered. On all accounts not paid in full within twenty (20) day of bill, a ten percent (10%) penalty will be added to the new amount shown. The delayed penalty payment is not interest and is only to be collected once for each bill where it is appropriate.

Sevice actually shall be disconnected only after all rules and regulations have been followed as set forth by the Public Service Commission. Service will not be restored until all amounts in arrears, including accrued penalties, plus a reconnection fee of ten dollars (\$10.00), have been paid.

Use and Income AnalysisWithin the Corporation

294 users @ 3,000 gallons @ \$ 15.18 per user = \$4,462.92 monthly  
 212 users @ 4,200 gallons @ \$ 20.88 per user = \$4,426.56 monthly  
 69 users @ 7,400 gallons @ \$ 35.39 per user = \$2,441.91 monthly  
 42 users @ 43,000 gallons @ \$174.51 per user = \$7,329.42 monthly

Outside the Corporation

39 users @ 3,000 gallons @ \$ 18.54 per user = \$ 723.06 monthly  
 29 users @ 4,300 gallons @ \$ 26.11 per user = \$ 757.19 monthly  
 10 users @ 8,000 gallons @ \$ 46.68 per user = \$ 466.80 monthly  
 9 users @ 22,700 gallons @ \$119.07 per user = \$1,071.63 monthly

704 Total Users

Total \$21,679.49 Monthly x 12 = \$260,153.88 Annually

Budget

Income		\$260,153.88
Expenses		
O & M	\$147,200.00	
*Debt Service	104,746.00	
**Reserve	7,992.00	
		\$259,938.00
Balance and Depreciation	\$	215.88

Operating and Maintenance Expenses

Wages - Salaries	\$87,000
Office Expenses (telephone, rent, supplies)	\$ 6,000
Taxes, Insurance, Bonds	\$10,200
Fees (accounting, audit, legal)	\$ 3,300
Utilities (electric, water, sewer, gas, fuel, oil)	\$ 3,000
Repair to Facilities and Equipment	\$ 5,500
Fuel - Gasoline - Oil	\$ 23,200
Miscellaneous Material and Supplies	\$ 2,600
Reading, Billing and Collection	\$ 2,400
Chemicals	\$ 4,000
	-----
TOTAL	\$147,200



UNITED STATES DEPARTMENT OF AGRICULTURE  
 RURAL UTILITIES SERVICE  
 Table of Contents  
 Loan and Grant  
 Water and Sewer Systems

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
SF 424	Application for Federal Assistance	0 & 2	1942.2 (a) (1)	App.		Have	3
	Regional Planning & Development Council Review	2	1942.2 (a) (1)	App.		Have	3
	State Clearing-house Review or IJDC Review	2	1942.2 (a) (1)	App.		Have	3
Guide 7/8	Preliminary Engr. Report	2	1942.18(c)	Engr.		Have	6
	Bond Ordn. or Resol. on Outstanding Debts	1	1942.17(h)	App./Att.		Have	2
	Bonds or Notes Outstanding Debts	1	1942.17(h)	App./Att.		Have	2
	Audit for last year of operation	1	1942.17(h)	App./Att.		Have	1
AD 1049	Certification Regarding Drug-Free Workplace	1	1940-M 1940.606 (b) (2)	App.		Have	5
	Minutes Adopting Drug-Free Workplace Program	1	LOC	App.		Have	5
	Organizational Documents	1	1942.17 (b) (4)	App./Att.		Have (see org. can file)	5
1940-20	Request for Env. Info.	2	1942.17 (j) (7)	App./Eng.		Have	3

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
	Env. Assess- ment for Class II Actions (Exhibit H, 1940-G)	2	1942.17 (j) (7)	RUS		Have	3
	Statement from State Historical Preservation Office	2	1940.304 (d)	App.		Have	3
	Comments from Dept. of Commerce, Labor & Environ. Resources (DEP)	2	1940.304 (d)	App.		Have	3
	Comments from U.S. Fish & Wildlife Service (Endangered Species)	2	1940.304 (d)	App.		Have	3
	Comments from U.S. Forest Service (Wild & Scenic Rivers)	2	1940.304 (d)	App.		V/A	3
	Brief Stmt. telling how facility will be operated	1	1942.17 (b) (3)	App.		Have	5
	Copy of Existing Rate Tariff	2	1942.17 (h)	App.		Have	8
	Bill analysis for existing system(s)	2	1942.17 (h) (2)	App./ Engr./ Acct.		Have	8
	Projected Bill analysis for new users	2	1942.17 (h) (2)	App./ Engr./ Acct.		Have	8
	Statement reporting the <u>total number</u> <u>of potential</u> users		1942.17 (h) (2) (i) (A)	App./ Engr./ Acct.		Have	8

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
	Breakdown of sewer cost to show treatment, collection, elig. and inelig.	2	1942-A Guide 8	Engr.		Have	8
1942-19	Agreement for Engineering Services	3	1942.17 (1) (1)	App./Engr.		Have	6
	Legal Services Agreement		Guide 14 1942.17 (1) (1)	App./Engr.		Have	5
	Documentation on Service Area	1	1942.5(a)	RUS		Have	3
	Written Certification from Applicant that "Other" credit is <u>NOT</u> available	2	1942.17 (b) (3)	App.		Have	3
	RUS determin. on the availability of other credit	2	1942.17 (b) (3)	RUS		<i>Have</i>	3
	Documentation from lender(s) regarding the availability of other credit	2	1942.17 (b) (3)	RUS		<i>Have</i>	3
	Documentation on Historical and Archaeological Assessments	2	1901-F 1901.255(2)	RUS		Have	3
	Copy of Certification of Publication and related Environmental Information	2	1940-G 1940.331(c)	App.		Have	3
	Project Planning Factors	4	S/Office	RUS		Have	3

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
1942-51	Grant Determination	3	1942-H 1942.364	RUS		Have	2
	Finding of No Significant Impact (FONSI)	2	1940-G 1940.314	RUS		Have	3
	Evidence of Public Meeting Minutes	2	1942.17 (j) (9)	App.		Have	3
AD 622	Notice of Preapplication Review	0 & 3	1942.17 (m) (4)	RUS		Have	3
SF 424	Application for Federal Assistance	0 & 1	1942.17 (m) (5)	App.		Have	3
FmHA Inst. 1940-Q Exh. A-1	Certification for Contracts, Grants and Loans	0 & 1	1940-Q	App.		Have	5
SF LLL	Disclosure of Lobbying Activities	0 & 1	1940-Q Exh. A	App.		VIA	5
1942-45	Project Summary	0 & 2	1942.5 (a) (1)	RUS		Have	1
442-3	Balance Sheet	0 & 1	1942.17 (h)	App.		Have	1
442-7	Operating Budget	0 & 2	1942.17 (h)	App.		Have	3
1942-14	Project Fund Analysis	0 & 4	1942.5 (c)	RUS		Have	2
Guide 26	CP Program Project Selection Criteria	2	1942-A	RUS		Have	2
	Letter of Conditions	7	1942.5 (c)	RUS		Have	3
1942-46	Letter of Intent to Meet Conditions	2	1942.5 (c)	App.		Have	3
1940-1	Request for Obligation of Funds	4	1942.5 (c) (3)	RUS/App.		Have	2

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
	Written Request from Applicant for the Lower Interest Rate	2	1942.17 (f) (1)	RUS/App.		<i>Have</i>	2
1942-31	Association Water or Sewer System Grant Agreement	2	1942-H 1942.367 (f)	RUS/App.			2
	Evidence of "Other" Funds	1	1942.17 (n) (6)	App.		<i>Have</i>	2
AD 1047	Certification Regarding Debarment (Primary)	1	1940-M 1940.606 (b) (1)	App.		<i>Have</i>	5
AD 1048	Certification Regarding Debarment (Contractor)	1 ea	1940-M 1940.606 (b) (1)	All Appropriate Vendors			5
1910-11	Applicant Certification, Federal Collection Policies	1	1942.5 (a) (1) (i)	App.		<i>Have</i>	3
	Positive Program to Encourage Connections When Completed	1	1942.17 (h) (2) (iii)	App.		<i>N/A</i>	5
	Preliminary Bond Transcr. Documents w/no Defeasance Provisions	2	1942.17 (j) (6) (ii)	B. Counsel			2
	Right-of-Way Map	1	Form FmHA 1942-19	Engr.			Sep. File
	Deeds and/or Options		1942.17 (j) (4) (i)	App./Att.			
1927-9	Preliminary Title Opinion	1	1942.17 (j) (4) (i)	App./Att.		<i>Have</i>	5
1927-10	Final Title Opinion	1	1942.17 (j) (4) (i)	App./Att.			5
	Narrative Opinion from Attorney	1	LOC	Att.		<i>Have</i>	5

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
442-20	Right-of-Way Easement	1	1942.17 (j) (4) (i)	App.			5
442-21	Right-of-Way Certificate	1	1942.17 (j) (4) (i)	App.			5
442-22	Opinion of Counsel Relative to R/Way		1942.17 (j) (4) (i)	Att.			5
1942-47	Loan Resolution	1	1942.17 (n) (2)	App.			5
	Copy of PSC Rule 42 Exh.	1	State	Att./Acct.		<i>Have</i>	3
	Agreement with Accountant	1	1942.17 (1) (1)	App./Acct.		<i>Have</i>	6
	Interim Financing Agreement	1	1942.17 (n) (3)	App./Att.			1
400-1	Equal Opportunity Agreement	1	1942.17 (n) (2) (x)	App.		<i>Have</i>	6
400-4	Assurance Agreement	1	1942.17 (n) (2) (x)	App.		<i>Have</i>	3
	Bond Transcript Documents w/no Defeasance Provisions	3	1942.17 (j) (6) (ii)	B. Counsel			Sep. File
	OGC Closing Instructions	1	1942.17 (n) (4)	RUS			5
	S/O Closing Instructions	1	1942.17 (n) (4)	RUS			5
	DOH Permit	1	1942.17 (k)	App.			6
	Railroad Permits	1	1942.17 (k)	App.		<i>MLP</i>	6
	Public Land Corp. Permit	1	1942.17 (k)	App.			6

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
	Contract Documents, Plans and Specs.	2	1942.18	Engr.		<i>Have</i>	Sep. File
	Dept. of Health Approval	1	1942.17(k)	Engr.			6
	Dept. of Environmental Protection Permit	1	1942.17(k)	Engr.			6
	Accountant's Certification on Accounting System	1	1942.17 (q) (1)	Acct.		<del>Have</del>	3
	RUS Approval of Accounting System		1942.17 (q) (1) (ii)	App./RUS			3
400-8	Comp. Review	1	1901-H 1901.204	RUS			5
1924-16	Record of Preconstruction Conference	1	1942.18 (o) (1)	RUS/Engr.			6
	Bid Tabulation	1	1942.18(k)	Engr.			6
	Recommendation of Award	1	1942.18 (j) (8)	Engr.			6
	Recommendation of Award	1	1942.18 (j) (8)	App.			6
	Contract Documents with required Ins. and Bonds	2		App./Engr.			Sep. File
	Resume' of Inspector	1	1942.18 (o) (3)	Engr.			6
	Liability Insurance		1942.17 (j) (3) (iii)	App.		<i>Have</i>	7
	Workers' Compensation Certificate	1	1942.17 (j) (3) (iii)	App.			7

<u>Form No.</u>	<u>Document or Action</u>	<u>No. Needed</u>	<u>Proced. Ref.</u>	<u>Respons. Party</u>	<u>Target Date</u>	<u>Date Rec'd</u>	<u>File Pos.</u>
	Flood Insurance Policy	1	1942.17 (j) (3) (iii)	App.		N/A	7
440-24	Fidelity Bond	1	1942.17 (j) (3) (ii)	App.		Have	7
	OGC Final Opinion	1	1942.17 (o) (4)	RUS			5

UNITED STATES  
DEPARTMENT OF  
AGRICULTURE

RURAL  
UTILITIES  
SERVICE

401 DAVIS AVENUE  
ELKINS, WV 26241-3848  
PHONE: (304) 636-2158  
TTY/TDD: 1-800-982-8771  
FAX: (304) 636-5902

October 1, 1998

~~The Honorable Joe Putnam  
Mayor, Town of Glenville  
20 North Court Street  
Glenville, WV 26351~~

Dear Mayor Putnam:

This letter is sent to confirm the loan/grant closing for the Town of Glenville on October 21, 1998 at 9:30 am at the Town Hall Building. A pre-construction conference will follow the closing at approximately 10:30 am. I would like to bring to your attention the following matters:

1. The interest rate on your loan will remain at 4 1/2 % as outlined in the Letter of Conditions dated February 18, 1997, therefore, the payment will remain unchanged.
2. You will need to sign and date the FmHA Grant Agreement at closing.
3. Form FmHA 1927-10, "Final Title Opinion," will need to be provided effective the date of loan closing showing no exceptions.
4. A new Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way," will need to be provided showing no exceptions.
5. The Certification on the Loan Resolution will need to be completed at closing.
6. The Town must pay the DOH bond fee and provide the DOH permit at the closing. The contractor is responsible for this cost and will need to reimburse the Town after loan closing.
7. The Town must provide a recommendation of award on the low bidder.

If you have questions concerning the above matters, please contact this office.

Sincerely,

*Darrel D. Lipscomb*

DARREL D. LIPSCOMB  
Rural Development Specialist

20B

cc: ~~State Director~~  
~~USDA-Rural Development~~  
~~Morgantown, WV~~

~~Woolpert Consultants~~  
~~609 Virginia Street~~  
~~Charleston, WV 25301~~

~~Timothy B. Butcher~~  
~~Attorney at Law~~  
~~218 Main Street~~  
~~Glennville, WV 26351~~

✓ ~~Steptoe & Johnson~~  
~~PO Box 2190~~  
~~Clarksburg, WV 26301~~

~~Region VII Planning & Development Council~~  
~~4 West Main Street~~  
~~Buckhannon, WV 26201~~



UNITED STATES DEPARTMENT OF AGRICULTURE  
FARMERS HOME ADMINISTRATION

COPY

ASSOCIATION WATER OR SEWER SYSTEM GRANT AGREEMENT

THIS AGREEMENT dated \_\_\_\_\_, 19\_\_\_\_, between

Town of Glenville

a public corporation organized and operating under \_\_\_\_\_

Chapter 16. Article 13, West Virginia Code

(Authorizing Statute)

herein called "Grantee," and the United States of America acting through the Farmers Home Administration, Department of Agriculture, herein called "Grantor," WITNESSETH:

WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) (sewer) system to serve the area under its jurisdiction at an estimated cost of \$ 3,100,000 and has duly authorized the undertaking of such project.

Grantee is able to finance not more than \$ 2,700,000 of the development costs through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge.

Said sum of \$ 2,700,000 has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed \$ 400,000 or 75 percent of said development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of the grant.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306 (a) of the Consolidated Farm and Rural Development Act for the purpose only of defraying a part not to exceed 75 percent of the development costs, as defined by applicable Farmers Home Administration instructions.

GRANTEE AGREES THAT GRANTEE WILL:

- A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.
- B. Permit periodic inspection of the construction by a representative of Grantor during construction.
- C. Comply with any measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
- D. Comply with all applicable state and federal laws and regulations and manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.
- E. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges,

whether for one or more classes of service, adopted by <sup>ordinance</sup> ~~resolution~~ date \_\_\_\_\_, 19\_\_\_\_, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0074), Washington, D.C. 20503.

F. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

G. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

H. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

I. To execute Forms FmHA 400-1, "Equal Opportunity Agreement," and FmHA 400-4, "Assurance Agreement," and any other agreements required by Grantor which Grantee is legally authorized to execute. If any such forms have been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this Grant, another form of the same type need not be executed in connection with this Grant.

J. Upon any default under its representations or agreements set forth in this instrument, or in the instruments incident to the awarding of the grant, Grantee, at the option and demand of Grantor, to the extent legally permissible, will repay to grantor forthwith the original amount of the grant received with the interest accruing thereon from the date of default at the market rate for water and waste disposal loan assistance in effect on the date hereof or at the time the default occurred, whichever is greater. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it of previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

K. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

L. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantor may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sale proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

*The Grant Agreement covers the following described real property (use continuation sheets as necessary).*

Eleven (11) lift stations, nine (9) overflow check valves, 428 LF of 14", 984 LF of 12", 6,193 LF of 10", 12,546 LF of 8" sewer line, 50 manholes, a roediger belt press and necessary appurtenances to operate and maintain the sewer system.

M. Abide by the following conditions pertaining to nonexpendable personal property which is furnished by the Grantor or acquired wholly or in part with grant funds. Nonexpendable personal property means tangible personal property having a useful life of more than one year and an acquisition cost of \$300 or more per unit. A Grantee may use its own definition of nonexpendable personal property provided such definition would at least include all tangible personal property as defined above.

1. Use of nonexpendable property.

(a) The Grantee shall use the property in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the property in connection with its other Federally sponsored activities, if any, in the following order of priority:

- (1) Activities sponsored by FmHA.
- (2) Activities sponsored by other Federal agencies.

(b) During the time that nonexpendable personal property is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to FmHA sponsored projects. Second preference will be given to other Federally sponsored projects.

2. Disposition of nonexpendable property. When the Grantee no longer needs the property as provided in paragraph (a) above, the property may be used for other activities in accordance with the following standards:

- (a) Nonexpendable property with a unit acquisition cost of less than \$1,000. The Grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.
- (b) Nonexpendable personal property with a unit acquisition cost of \$1,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value of the property. If the Grantee has no need for the property and the property has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the property can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the property exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee request and the following procedures shall govern:

- (1) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the property and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share \$100 or ten percent of the proceeds, whichever is greater, for the Grantee's selling and handling expenses.
- (2) If the Grantee is instructed to ship the property elsewhere the Grantee shall be reimbursed by the benefitting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.
- (3) If the Grantee is instructed to otherwise dispose of the property, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for nonexpendable personal property shall also include:

- (a) Property records which accurately provide for: a description of the property; manufacturer's serial number or other identification number; acquisition date and cost; source of the property; percentage (at the end of budget year) of Federal participation in the cost of the project for which the property was acquired; location, use and condition of the property and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.
- (b) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years to verify the existence, current utilization, and continued need for the property.
- (c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented.
- (d) Adequate maintenance procedures shall be implemented to keep the property in good condition.
- (e) Proper sales procedures shall be established for unneeded property which would provide for competition to the extent practicable and result in the highest possible return.

*This Grant Agreement covers the following described nonexpendable property (use continuation sheets as necessary).*

N. Provide Financial Management Systems which will include:

- 1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
- 2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
- 3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
- 4. Accounting records supported by source documentation.

O. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm copies may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

P. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.

Q. Provide an audit report prepared in sufficient detail to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

R. Agree to account for and to return to Grantor interest earned on grant funds pending this disbursement for program purposes when the Grantee is a unit of local government or a nonprofit organization. States and agencies or instrumentalities of states shall not be held accountable for interest earned on grant funds pending their disbursement.

S. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in items K and L above.

T. Include in all contracts for construction or repair a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

U. In construction contracts in excess of \$2,000 and in other contracts in excess of \$2,500 which involve the employment of mechanics or laborers, to include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR, Part 5).

V. To include in all contracts in excess of \$100,000 a provision that the contractor agrees to comply with all the requirements of Section 114 of the Clean Air Act (42 U.S.C. §1875C-9) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. Such regulations and guidelines can be found in 40 CFR 15.4 and 40 FR 17126 dated April 16, 1975. In so doing the Contractor further agrees:

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR 15.20 as of the date of contract award.

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term "facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plant, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

W. The following clause is applicable to nonprofit organizations:

As a condition of this Grant or Cooperative Agreement, the recipient assures and certifies that it is in compliance with and will comply in the course of the Agreement with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated in this Agreement by reference, and such statutory provisions as are specifically set forth herein.

#### GRANTOR AGREES THAT IT:

A. Will make available to Grantee for the purpose of this Agreement not to exceed \$ 400,000

which it will advance to Grantee to meet not to exceed 75 percent of the development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

#### TERMINATION OF THIS AGREEMENT

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in Paragraph 1 above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

IN WITNESS WHEREOF Grantee on the date first above written has caused these presence to be executed by its duly authorized Mayor

and attested and its incorporated seal affixed by its duly authorized Recorder

ATTEST:

By \_\_\_\_\_  
Cathy Nolan  
Recorder  
\_\_\_\_\_  
(Title)

By \_\_\_\_\_  
Joe Putnam  
Mayor  
\_\_\_\_\_  
(Title)

UNITED STATES OF AMERICA  
FARMERS HOME ADMINISTRATION

By \_\_\_\_\_  
DARREL D. LIPSCOMB  
Rural Development Specialist  
\_\_\_\_\_  
(Title)





STATE OF WEST VIRGINIA  
OFFICE OF THE GOVERNOR  
CHARLESTON 25305

June 11, 1996

GASTON CAPERTON  
GOVERNOR

The Honorable Joe Putnam  
Mayor  
Town of Glenville  
20 North Court Street  
Glenville, West Virginia 26351

Dear Mayor Putnam:

Thank you for your application to the Small Cities Block Grant program for fiscal year 1996.

I am pleased to approve your application in the amount of \$1,250,000 to the Town of Glenville. These funds will enable you to fund the sewage collection system improvements.

The West Virginia Development Office, Community Development staff, will contact you to complete the necessary contract in order to proceed with your project.

It is with pleasure that I am able to work with you to make this improvement a reality for the citizens of Glenville.

Sincerely,

Gaston Caperton  
Governor

GC:bkb





United States  
Department of  
Agriculture  
Rural Development

Federal Building, Room 320  
75 High Street  
Morgantown, WV 26505-7500  
TELEPHONE: (304) 291-4796  
FAX: (304) 291-4159  
TTY/TDD (304) 284-5941

October 21, 1998

City of Glenville  
Combined Waterworks and Sewerage System Revenue Bonds, Series 1998  
(United States Department of Agriculture)

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative of the United States of America, acting through the Rural Utilities Service, United States Department of Agriculture, the present holder of the entire outstanding aggregate principal amount of the Prior Bonds, hereinafter defined and described, hereby (i) consents to the issuance of the Combined Waterworks and Sewerage System Revenue Bonds, Series 1998 (United States Department of Agriculture) (the "Bonds"), in the original aggregate principal amount of not to exceed \$1,450,000, by the City of Glenville (the "Issuer"), under the terms of the bond ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Combined Waterworks and Sewerage System Revenue Bonds, Series 1972, and Combined Waterworks and Sewerage System Revenue Bonds, Series 1986 (collectively, the "Prior Bonds"), and (ii) waives any requirements imposed by the Prior Bonds or the ordinances authorizing the Prior Bonds regarding the issuance of parity obligations which are not met by the Bonds.

ROBERT D. LEWIS  
State Director







This permit is subject to the following terms and conditions:

Bureau of Public Health Permit Nos. 2186, 3813, 7466, and 7683.

The information submitted on and with Permit Application No. WV0040401 dated the 18th day of May 1994 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information was set forth herein, and with other conditions set forth in Sections A, B, C, D, E, F, and G.

The validity of this permit is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

**A.1 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS**

During the period beginning May 17, 1995 and lasting through midnight, April 16, 2000 the permittee is authorized to discharge from outlet number(s) 001-Discharge from sewage treatment facilities

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>		<u>Monitoring Requirements</u>		
	<u>Avg. Monthly</u>	<u>(Quantity) lbs/day</u> <u>Max. Daily</u>	<u>Other Units(Specify)</u> <u>Avg. Monthly</u>	<u>Max. Daily</u> <u>Measurement Frequency</u>	<u>Sample Type</u>
Flow			0.248 MGD		Continuous Measured
Biochemical Oxygen Demand (5-Day)	62.0	124.0	30.0 mg/l	60.0 mg/l	1/Month 8 hr. composite
Total Suspended Solids	62.0	124.0	30.0 mg/l	60.0 mg/l	1/Month 8 hr. composite
Total Kjeldahl Nitrogen (TKN)	37.2	74.4	18.0 mg/l	36.0 mg/l	1/Month 8 hr. composite
Fecal Coliform			counts 100 ml	counts 400 100 ml	1/Month Grab

The pH shall not be less than 6.0 standard units and not greater than 9.0 standard units and shall be monitored monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent BOD, samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.

This discharge shall not cause violation of Title 46, Series 1, Section 3 of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

## A.2 SEWER SYSTEM OVERFLOWS

- a) Outlet Numbers 002 through 009, listed below, serve as combined sewer relief points. Combined Sewer Overflows (CSOs) are allowed only when flows in combined sewers exceed conveyance capacities during wet weather periods. CSOs are point source discharges which must be provided technology based control measures in accordance with the Clean Water Act. Additional control measures may also have to be provided if determined necessary to comply with water quality standards. At a minimum, technology-based control measures must include best management practices or other noncapital intensive measures to minimize discharges and water quality impacts.

<u>Outlet Number</u>	<u>Name and Location</u>	<u>Receiving Stream</u>
002	Main Plant Overflow	Little Kanawha River
003	Camden Flats Lift Station 225 feet South of James Street	Unnamed tributary of the Little Kanawha River
004	Brooklin Lift Station 200 feet North of Baldwin Drive	Little Kanawha River
005	Sue's Dairyyette Lift Station 820 feet West of Route 5	Little Kanawha River
006	Western Auto Lift Station 2,250 feet NW of Sue's Lift Station	Little Kanawha River
007	College Fieldhouse Lift Station 3,900 feet North of Mineral Road	Unnamed tributary of Sycamore Run of the Little Kanawha River
008	Hays Lift Station 650 feet West of Rt. 5 and 119 Jct.	Little Kanawha River
009	Conrad Motel Manhole 100 feet SE of Conrad Motel	Little Kanawha River

A.2 SEWER SYSTEM OVERFLOWS (Continued)

- b) The permittee shall implement the plan of action, approved by the Office of Water Resources on the 13th day of September 1994, for the minimization of discharges and evaluation of water quality impacts and a Long-Term Control Plan, if water quality impacts exist, in accordance with the required schedule:

<u>DESCRIPTION OF ACTIVITY</u>	<u>DUE DATE</u>
Submit a final plan to State (Received 6/30/94)	November 15, 1993
Completion of planned minimization of discharges	May 15, 1995
Completion of planned evaluation of water quality impacts	May 15, 1996
Development of long-term control plan	May 15, 1997

c) Evaluation of Water Quality Impacts

- (1) Analysis of water quality upstream and downstream from CSO discharges to assess their impacts. Emphasis should be placed on critical periods, especially summer storm events following dry weather-low flow periods.
- (2) Monitoring of the rates and durations of representative discharges during varying rainfall conditions.
- (3) Analysis of the quality of representative discharges.

d) Development of Long-Term Control Plan

The permittee shall develop a Long-Term Control Plan (LTCP) if any water quality impacts are demonstrated and documented during an evaluation phase as outlined in Section A.2.b) or if this Office determines that water quality impacts exist.

e) Reporting Requirements

The permittee shall submit written quarterly progress reports detailing actions taken to meet the above schedule.

**B. SCHEDULE OF COMPLIANCE**

1. The permittee shall achieve compliance with the provisions for waste treatment and the discharge limitations specified in this permit in accordance with the following schedule:

Effective date of permit.

2. Reports of compliance or noncompliance with, and progress reports on the interim and final requirements contained in the above compliance schedule, shall be submitted no later than 14 days following each schedule date.

## C. MANAGEMENT CONDITIONS

1. **Duty to Comply**
  - (a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.
  - (b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.
2. **Duty to Reapply**

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.
3. **Duty to Mitigate**

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.
4. **Permit Actions**

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit conditions.
5. **Property Rights**

This permit does not convey any property rights of any sort or any exclusive privilege.
6. **Signatory Requirements**

All applications, reports, or information submitted to the Chief shall be signed and certified as required in Title 47, Series 10, Section 4.6 of the West Virginia Legislative Rules.
7. **Transfers**

This permit is not transferable to any person, except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.
8. **Duty to Provide Information**

The permittee shall furnish to the Chief, within a reasonable specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.
9. **Other Information**

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.
10. **Inspection and Entry**

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

  - a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
  - b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
  - c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
  - d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any locations.
11. **Permit Modification**

This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 22, Article 11, Section 12 of the Code of West Virginia.
12. **Water Quality**

The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the State Water Resources Board.
13. **Outlet Markers -**

A permanent marker at the establishment shall be posted in accordance with Title 47, Series 11, Section 9 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11.
14. **Liabilities**
  - a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed \$10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than \$2,500 nor more than \$25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
  - b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
  - c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
  - d) Nothing in C.14.a), b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 22, Article 11.

## D. OPERATION AND MAINTENANCE

### 1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems which are installed by the permittee only when the operation is necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by the WV Bureau of Public Health Regulations authorized under Chapter 16, Article 1, Public Health Laws, Code of West Virginia, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Chief may require a more highly skilled operator.

### 2. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

### 3. Bypass

#### a) Definitions

- (1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility; and
- (2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of D.3.c) and D.3.d) of this permit.

- c) (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
- (2) If the permittee does not know in advance of the need for bypass, notice shall be submitted as required in F.2.b) of this permit.

#### d) Prohibition of bypass

- (1) Bypass is permitted only under the following conditions, and the Chief may take enforcement action against a permittee for bypass, unless:
  - (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
  - (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
  - (C) The permittee submitted notices as required under D.3.c) of this permit.
- (2) The Chief may approve an anticipated bypass, after considering its adverse effects, if the Chief determines that it will meet the three conditions listed in D.3.d)(1) of this permit.

### 4. Upset

a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.

b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the requirements of D.4.c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.

c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:

- (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
- (2) The permitted facility was at the time being properly operated;
- (3) The permittee submitted notice of the upset as required in F.2.b) of this permit.
- (4) The permittee complied with any remedial measures required under C.3. of this permit.

d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

### 5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit by the Chief, any solids, sludges, filter backwash or other pollutants (removed in the course of treatment or control of wastewaters) and which are intended for disposal within the State, shall be disposed of only in a manner and a site subject to the approval by the Chief. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Chief in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, and the intended place of disposal or use, as appropriate.

## E. MONITORING AND REPORTING

### 1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

### 2. Reporting

- a) Permittee shall submit each month, according to the enclosed format, a Discharge Monitoring Report(DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s).
- b) The required DMRs should be received no later than 20 days following the end of the reporting period and be addressed to:

Chief

Office of Water Resources

1201 Greenbrier Street

Charleston, WV 25311-1088

Attention: Municipal Branch

- c) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.
- d) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E"(i.e., number exceeding).
- e) Specify frequency of analysis for each parameter as no. analyses/specified period (e.g., 3/month is equivalent to 3 analyses performed every calendar month.) if continuous, enter "Cont.". The frequency listed on format is the minimum required.

### 3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

### 4. Recording of Results

For each measurement or sample taken pursuant to the permit, the permittee shall record the following information.

- a) The date, exact place, and time of sampling or measurement;
- b) The date(s) analyses were performed;
- c) The individual(s) who performed the sampling or measurement;
- d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
- e) The analytical techniques or methods used, and
- f) The results of such analyses.

Information not required by the DMR form is not to be submitted to this agency, but is to be retained as required in E.6.

### 5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated. Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

### 6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least three(3) years from the data of the sample, measurement, report or application. This period may be extended by request of the Chief at any time.

### 7. Definitions

- a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.
- b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.
- c) "Maximum daily discharge limitation" means the highest allowable daily discharge.
- d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval for constant volume samples is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.
- e) "Grab Sample" is an individual sample collected in less than 15 minutes.
- f) "i-s" -immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.
- g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.
- h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two(2) consecutive hours during a 24-hour day, or during the operating day if flows are of shorter duration.
- i) The "daily average fecal coliform" bacteria is the geometric average of all samples collected during the month.
- j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or for which a relationship to absolute volume has been obtained.
- k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.
- l) "Noncontact cooling water" means the water that is contained in a leak-free system, i.e. no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels, exclusive of approved anti-fouling agents.

## F. OTHER REPORTING

### 1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee for any responsibilities, liabilities, or penalties established pursuant to Title 47, Series 11, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11. Attached is a copy of the West Virginia Spill Alert System for use in complying with Title 47, Series 11, Section 2 of the rules as they pertain to the reporting of spills and accidental discharges.

### 2. Immediate Reporting

- a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Agency's designated spill alert telephone number. A written submission shall be provided within five(5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.
- b) The following shall also be reported immediately:
  - (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
  - (2) Any upset which exceeds any effluent limitation in the permit; and
  - (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.
- c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.
- d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Title 47, Series 11, Section 2.

### 3. Reporting Requirements

- a) Planned changes. The permittee shall give notice to the Chief of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
  - (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Series 10, Title 47;
  - (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. The notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under F.2. of this section.
- b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural discharges must notify the Chief in writing as soon as they know or have reason to believe:
  - (1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, or any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
    - (A) One hundred micrograms per liter (100 ug/l);
    - (B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitro phenol; and for 2-methyl 4,6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
    - (C) Five(5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.9 of Title 47, Series 10;
    - (D) The level established by the Chief in accordance with Section 6.3.g. of Title 47, Series 10;
  - (2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
    - (A) Five hundred micrograms per liter (500 ug/l);
    - (B) One milligram per liter (1 mg/l) for antimony;
    - (C) Ten(10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.7. of Title 47, Series 10;
    - (D) The level established by the Chief in accordance with Section 6.3.g. of Title 47, Series 10;
  - (3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Title 47, Series 10 and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
  - (4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Title 47, Series 10 and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

### 4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in F.2.a).

**G. OTHER REQUIREMENTS**

1. The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.
2. The entire sewage treatment facility shall be adequately protected by fencing.
3. Continuous maintenance and operation of the listed sewage treatment facility shall be performed by or supervised by a certified operator possessing at least a class II certificate for Waste Water Treatment Plant Operators, issued by the State of West Virginia.
4. An instantaneous flow from the sewage disposal system shall not exceed the peak design flow at any given time.
5. The arithmetic mean of values for effluent samples collected in a period of seven(7) consecutive days shall not exceed 45.0 mg/l for BOD5 and TSS and 27.0 mg/l for TKN.
6. The arithmetic mean of the effluent values of the BOD5 and TSS discharged during a period of 30 consecutive days shall not exceed 15 percent of the respective arithmetic mean of the influent values for these parameters during the same time period except as specifically authorized by the permitting authority.
7. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Chief of the Office of Water Resources as provided in Title 47, Series 10, Section 14 of the West Virginia Legislative Rules.
8. If any existing non-domestic discharge causes, or is suspected of causing, interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Chief of such violation or suspected violation.
9. If any existing non-domestic discharge is identified as being subject to a Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Chief of such identification.
10. The permittee has submitted an application, dated the 1st day of August 1994, to incorporate the statutory requirements relative to their sludge management program. This application is currently undergoing the completeness review. Whereupon the review is concluded and approval is granted by the Chief, the permittee shall have fulfilled the requirements of Section D.5, Removed Substances, on page 8 of 14 of this Permit, with respect to the sludge generated by the wastewater treatment facilities permitted herein. Said approval shall be afforded in accordance with the provisions of Title 47, Series 38D of the Legislative Rules.

G. OTHER REQUIREMENTS

11. The permittee may accept non-domestic process wastewater from Dowell Schlumberger for subsequent treatment and disposal. Approval of this acceptance is subject to and contingent upon compliance with the following:

- a) The maximum daily volume of the subject wastestream accepted shall not exceed 9,000 gallons. The average daily volume of the non-domestic wastestream accepted shall be estimated and reported. Estimates shall be based upon monthly water use records.
- b) The following limitations and self-monitoring requirements apply to the subject discharge:

Parameter	Daily Maximum Limitation (mg/l)	Monitoring Frequency	Sample Type
TSS	100	1/Month	Comp <sup>1</sup>
Oil and Grease	30	1/Month	Grab <sup>2</sup>
pH	≥6.0 and ≤9.0 SU	Continuous	Measured

<sup>1</sup> A minimum of four aliquots shall be obtained, at approximate equal time intervals, of the nondomestic wastestream over its daily discharge period, and combined to form the composite.

<sup>2</sup> An individual grab sample shall be obtained and analyzed.

- c) Sampling and analyses required herein shall be conducted in accordance with sample collection, preservation and analytical procedures specified in 40 CFR 136. Also, the meter used to monitor and record the pH of the discharge shall be calibrated at a minimum of twice per month (2/month).
- d) Samples for Oil & Grease and TSS shall be taken at a point before the wastewater becomes mixed with domestic sewage or other wastestreams. pH monitoring shall be performed on Dowell's total facility discharge.
- e) Records of the following information relative to self-monitoring shall be maintained:
  - i) The date, exact place, method and time of sampling, sample preservation techniques used, and name of the person taking the samples;
  - ii) The dates analyses were performed, the analytical methods used, the name of the person performing the analysis, and the analytical results.
  - iii) Calibration records for the continuous pH monitoring equipment.

**G. OTHER REQUIREMENTS (Continued)**

- f) Monitoring reports on the subject discharge shall be submitted monthly as an attachment to the permittee's Discharge Monitoring Reports. Reports shall include the results of all monitoring performed during the period and the average daily volumes accepted during the period. If the permittee or Dowell Schlumberger monitors any parameter more frequently than required by Item G.11.b, using the procedures authorized by Item G.11.c, then the results of the additional monitoring must be submitted.
  
- g) The Office reserves the right to disallow the continued acceptance of the Dowell Schlumberger discharge or to require installation of additional pretreatment facilities should the wastewater violate specified limitations, cause interference with POTW operations, pass-through the POTW and result in effluent limitation violations or receiving stream degradation, or adversely impact POTW sludge disposal.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. WV0040401, dated the 18th day of May, 1994; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the Director of the Division of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0040401, dated the 18th day of May, 1994, and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Chapter 22, Article 11 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Chapter 22, Article 11 of the Code of West Virginia and is transferable under the terms of Section 11 of said article.

By: Wanda Scott  
Chief

MAS/rb



## RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this permit which you are aggrieved by to the Environmental Quality Board by filing a NOTICE OF APPEAL on the form prescribed by the Board for this purpose, with the Board, in accordance with the provisions of Chapter 22, Article 11, Section 21 of the Code of West Virginia within thirty(30) days after the date of receipt of the above permit.

**DIVISION OF ENVIRONMENTAL PROTECTION**1201 Greenbrier Street  
Charleston, WV 25311-1088GASTON CAPERTON  
GOVERNORDAVID C. CALLAGHAN  
DIRECTOR**NOTICE TO PERMITTEES**

The 1989 regular session of the West Virginia legislature revised the Water Pollution Control Act, Chapter 20, Article 5A of the West Virginia Code by adding Section 6a (Now, Chapter 22, Article 11, Section 10). This section of the Code requires all holders of a State water pollution control permit or a national pollutant discharge elimination system permit to be assessed an annual permit fee, based upon regulations promulgated by the Director of the Division of Natural Resources. The Director promulgated regulations to this effect and the current regulations have an effective date of July 1, 1993. The regulations establish an annual permit fee based upon the relative potential to degrade the waters of the State which, in most instances, relate to volume of discharge. However, for sewage facilities, the annual permit fee is based upon the number of customers served by the facility. You may contact the Secretary of State's Office, State Capitol Building, Charleston, West Virginia 25305, to obtain a copy of the regulations. The reference is Title 47, Legislative Rules of Department of Natural Resources, Series 26 Water Pollution Control Permit Fee Schedule.

Based upon the volume of discharge for which your facility is currently permitted or operating at, the number of customers served by your facility or for the category you fall within, pursuant to Section 7 of Title 47, Series 26, your annual permit fee is \$250. This fee is due no later than the anniversary date of permit issuance in each year of the term of the permit or in the case of coverage under a general permit, the fee is due no later than the anniversary date of your coverage under the general permit. You will be invoiced by this agency at the appropriate time for the fee. Failure to submit the annual fee within one hundred and eighty(180) days of the due date will render your permit void.

EMERGENCY RESPONSE SPILL ALERT SYSTEM  
WEST VIRGINIA DIVISION OF NATURAL RESOURCES

REQUIREMENTS:

West Virginia Legislative Rules Series 3, Section 2, State Water Resources Board, effective July 1, 1987.

RESPONSIBILITY FOR REPORTING:

Each and every person who may cause or be responsible for any spill or accidental discharge of pollutants into the waters of the State shall give immediate notification to the Water Resources' Emergency Notification Number, 1-800-642-3074. Such notification shall set forth insofar as possible and as soon thereafter as practical the time and place of such spill or discharge, type or types and quantity or quantities of the material or materials therein, action or actions taken to stop such spill or discharge and to minimize the polluting effect thereof, the measure or measures taken or to be taken in order to prevent a recurrence of any such spill or discharge and such additional information as may be requested by Water Resources. This also applies to spills to the waters of the State resulting from accidents to common carriers by highway, rail and water.

It shall be the responsibility of each industrial establishment or other entity discharging directly to a stream to have available the following information pertaining to those substances that are employed or handled in its operation in sufficiently large amounts as to constitute a hazard in case of an accidental spill or discharge into a public stream:

- 1) Potential toxicity in water to man, animals and aquatic life;
- 2) Details on analytical procedures for the quantitative estimation of such substances in water; and
- 3) Suggestions on safeguards or other precautionary measures to nullify the toxic effects of a substance once it has gotten into a stream.

Failure to furnish such information as required by Section 9, Article 5A, Chapter 20, Code of West Virginia shall be punishable under Section 19, Article 5A, Chapter 20, Code of West Virginia.

It shall be the responsibility of any person who causes or contributes in any way to the spill or accidental discharge of any pollutant or pollutants into State waters to immediately take any and all measures necessary to contain such spill or discharge. It shall further be the responsibility of such person to take any and all measures necessary to clean-up, remove, and otherwise render such spill or discharge harmless to the waters of the State.

When the Chief determines it necessary for the effective containment and abatement of spills and accidental discharges, the Chief may require the person or persons responsible for such spill or discharge to monitor affected waters in a manner prescribed by the Chief until the possibility of any adverse effect on the waters of the State no longer exists.

VOLUNTARY REPORTING BY LAW OFFICERS, U. S. COAST GUARD, LOCK MASTERS AND OTHERS:

In cases involving river and highway accidents where the responsible party may or may not be available to report the incident, law officers, U. S. Coast Guard, Lock Masters and other interested person should make the report.

WHO TO CONTACT: Notify the following number: 1-800-642-3074.

INFORMATION NEEDED: - Source of spill or discharge - Personnel at the scene  
- Location of incident - Actions initiated  
- Time of incident - Shipper/Manufacturer identification  
- Material spilled or discharged - Railcar/Truck identification number  
- Amount spilled or discharged - Container type  
- Toxicity of material spilled or discharged



**DIVISION OF ENVIRONMENTAL PROTECTION**  
617 Broad Street  
Charleston, WV 25301-1251

GASTON CAPERTON  
GOVERNOR

LAIDLEY ELI McCOY, Ph.D.  
DIRECTOR

December 6, 1995

Freeman Nicholson, Manager  
Glenville Utility  
12 North Court Street  
Glenville, WV 26351

RE: Combined Sewer Overflows

Dear Mr. Nicholson:

I am writing to inform you the City of Glenville has been removed from the Combined Sewer Overflow program. The Municipal Branch of the Office of Water Resources has been notified and will take appropriate action.

If you have any questions, please contact me at (304) 558-0633 or TTY/TDD 1-800-982-8772 [(304) 558-4144].

Sincerely,

OFFICE OF WATER RESOURCES

  
Thomas R. Marshall, Jr.  
Construction Assistance

cc  
Bob Bates  
Pravin Sangani, P.E.