THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

BOND TRANSCRIPT

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THE CITY OF HINTON
SEWER REVENUE BONDS, SERIES 2003 A
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

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THE CITY OF HINTON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF HINTON AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $775,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the " Act"), and other applicable provisions of law.

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

A. The City of Hinton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the existing public sewerage system of the Issuer, consisting of construction of a sewage collection system on Route 20 across from the New River from Hinton and also in the Village of Brooklin, lying in both Summers and Raleigh Counties, together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, transportation, treatment, purification, or disposal of liquid or solid wastes, residential sewage or industrial waste (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), in the total aggregate principal amount of not more than $775,000 (the "Series 2003 A Bonds"), initially to be represented by a single bond, to permanently finance a portion of the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor and eligible under the SRF Program; amounts which may be deposited in the Series 2003 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority, including the SRF Administrative Fee (as hereafter defined); discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2003 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition or construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2003 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2003 A Bonds be sold to the Authority pursuant to the terms and provisions of a bond purchase agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), in form satisfactory to the Issuer, the Authority, and the DEP (the "Bond Purchase Agreement"), to be approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank either on a parity with or junior and subordinate to the Series 2003 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Sewer Revenue Bond, Series 1990 A, dated June 14, 1990, issued in the original aggregate principal amount of $637,262 (the "Series 1990 A Bonds"), Sewer Revenue Bond, Series 1990 B, dated June 14, 1990, issued in the original aggregate principal amount of $29,738 (the "Series 1990 B Bonds"), Sewer Revenue Bond, Series 1990 C, dated June 14, 1990, issued in the original aggregate principal amount of $668,000 (the "Series 1990 C Bonds" and collectively the "Prior Bonds").

The Series 2003 A Bonds shall be issued on a parity with the Series 1990 A Bonds and the Series 1990 C Bonds and senior and prior to the Series 1990 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2003 A Bonds, the Issuer will obtain (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Series 1990 A Bonds and the Series 1990 C Bonds are met; (ii) the written consent of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds to the issuance of the Series 2003 A Bonds on a parity with the Series 1990 A Bonds and the Series 1990 C Bonds; and (iii) the written consent of the Holders of the Series 1990 B Bonds to the issuance of the Series 2003 A Bonds on a senior and prior basis to the Series 1990 B Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all covenants of the Prior Bonds and Prior Ordinances.

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

I. The Issuer has complied with all requirements of West Virginia law and the Bond Purchase Agreement relating to authorization of the acquisition and construction of the Project and the operation of the System and issuance of the Series 2003 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a certificate of public convenience and necessity from the Public Service Commission of West Virginia by final

order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2003 A Bonds or such final order will not be subject to appeal.

J. Pursuant to the Act, the Issuer has heretofore established a Sanitary Board, and the Sanitary Board has petitioned the Governing Body to issue the Series 2003 A Bonds for the purposes set forth herein.

K. The Project has been reviewed and determined to be technically and financially feasible by the West Virginia Infrastructure and Jobs Development Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2003 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2003 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

" Act" means, collectively, Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

" Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2003 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

"Authorized Officer" means the Mayor of the Issuer, or any other officer of the Issuer specifically designated by resolution of the Governing Body.

"Board" means the Sanitary Board of the Issuer.

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

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

"Bond Purchase Agreement" means the Bond Purchase Agreement heretofore entered into, or to be entered into, by and among the Issuer, the Authority and the DEP, providing for the purchase of the Series 2003 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

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

"Bonds" means, collectively, the Series 2003 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

"Closing Date" means the date upon which there is an exchange of the Series 2003 A Bonds for all or a portion of the proceeds of the Series 2003 A Bonds from the Authority and the DEP.

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

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

"Completion Date" means the completion date of the Project, as defined in the SRF Regulations.

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

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

"DEP" means the West Virginia Department of Environmental Protection, or any other agency, hoard or department of the State that succeeds to the functions of the DEP.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

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

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

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

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

"Grant" means any and all grants received by the Issuer for the payment of a portion of the costs of acquiring and constructing the Project.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided that, "Gross Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

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

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

"Investment Property" means

(A) any security (within the meaning of Section I65(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

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

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2003 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2003 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2003 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

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

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, the SRF Administrative Fee, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or

redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds and Prior Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond or Prior Bonds cancelled by the Bond Registrar or the registrar for Prior Bonds at or prior to said date; (ii) any Bond or Prior Bonds for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; (iv) any Prior Bond deemed to have been paid in accordance with the resolution authorizing the issuance thereof; and (v) for purposes of consents or other action by a specified percentage of Bondholders, or holders of Prior Bonds, any Bonds or Prior Bonds registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity or authority designated as such for the Series 2003 A Bonds in the Supplemental Resolution, with the written consent of the Authority and the DEP.

"Prior Bonds" means, collectively, the Issuer's (i) Sewer Revenue Bond, Series 1990 A, dated June 14, 1990, issued in the original aggregate principal amount of $637,262, (ii) Sewer Revenue Bond, Series 1990 B, dated June 14, 1990, issued in the original aggregate principal amount of $29,738, and (iii) Sewer Revenue Bond, Series 1990 C, dated June 14, 1990, issued in the original aggregate principal amount of $668,000.

"Prior Ordinances" means, collectively, the ordinances of the Issuer, including all amendments and supplements thereto, authorizing the issuance of the Prior Bonds.

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

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

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

(a) Government Obligations;

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

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

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

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

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

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of

said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

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

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

"Recorder" means the Recorder of the Issuer.

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created by the Prior Ordinances and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve account established for the Series 2003 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2003 A Bonds.

"Revenue Fund" means the Revenue Fund created by the Prior Ordinances and continued hereby.

"Series 1990 A Bonds" means the Issuer's Sewer Revenue Bonds, Series 1990 A, described in Section 1.02G hereof.

"Series 1990 13 Bonds" means the Issuer's Sewer Revenue Bonds, Series 1990 B, described in Section 1.02G hereof.

"Series 1990 C Bonds" means the Issuer's Sewer Revenue Bonds, Series 1990 C, described in Section 1.02G hereof.

"Series 2003 A Bonds" means Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), of the Issuer, authorized by this Bond Legislation.

"Series 2003 A Bonds Construction Trust Fund" means the Series 2003 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2003 A Bonds Reserve Account" means the Series 2003 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2003 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2003 A Bonds in the then current or any succeeding year.

"Series 2003 A Bonds Sinking Fund" means the Series 2003 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking fund established for the Prior Bonds and the Series 2003 A Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid pursuant to the Bond Purchase Agreement.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2003 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2003 A Bonds, and not so included may be included in another Supplemental Resolution.

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

"System" means, collectively, the complete existing municipal sewage treatment and collection system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any and all additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever, both within and without the Issuer.

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

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

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed $1,775,000, 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 2003 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the DEP.

The cost of the Project is estimated not to exceed $1,775,000, of which approximately $775,000 will be obtained from proceeds of the Series 2003 A Bonds, and approximately $1,000,000 will be obtained from the proceeds of a West Virginia Department of Environmental Protection Grant.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF BOND PURCHASE AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2003 A Bonds, funding a reserve account for the Series 2003 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2003 A Bonds of the Issuer. The Series 2003 A Bonds shall be issued as a single bond, designated "Sewer Revenue Bond, Series 2003 A (West Virginia SRF Program)", in the principal amount of not more than $775,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2003 A Bonds remaining after funding of the Series 2003 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2003 A Bonds, if any, shall be deposited in or credited to the Series 2003 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2003 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Bond Purchase Agreement. The Series 2003 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest, if any, on the Series 2003 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2003 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2003 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2003 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable,

corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2003 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 2003 A Bonds shall cease to be such officer of the Issuer before the Series 2003 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2003 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of the authorization of such Bonds such person may not have held **such** office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2003 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 *hereof* shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2003 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2003 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2003 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2003 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Series 2003 A Bonds.

The registered Series 2003 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2003 A Bonds or transferring the registered Series 2003 A Bonds are exercised, all Series 2003 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2003 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2003 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2003 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2003 A Bonds or, in the case of any proposed redemption of Series 2003 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2003 A Bond shall become mutilated or be destroyed, stolen or Iost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2003 A Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided.

No Holder or Holders of the Series 2003 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2003 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 2003 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds, and senior and prior to the lien on the Net Revenues in favor of the Holders of the Series 1990 B Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2003 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as the same become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2003 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2003 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a Iist of the names in which the Series 2003 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2003 A Bonds to the original purchasers;

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

D. An executed copy of the Bond Purchase Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2003 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2003 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND,
SERIES 2003 A
(WEST VIRGINIA SRF PROGRAM)

No. AR- $_____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF HINTON, a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of_____DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June I, September 1 and December 1 of each year, commencing_____ 1,200____, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative fee (as defined in the hereinafter describe Bond Legislation) on this Bond shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing_____, 20 , as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Authority and the DEP, dated _____, 2003.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); (ii) to fully fund the Series 2003 A Bonds

Reserve Account; and (iii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2003, and a Supplemental Resolution duly adopted by the Issuer on _____, 2003 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWER REVENUE BOND, SERIES 1990 A, DATED JUNE 14, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $637,262 (THE "SERIES 1990 A BONDS") AND THE ISSUER'S SEWER REVENUE BOND, SERIES 1990 C, DATED JUNE 14, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $668,000 (THE "SERIES 1990 C BONDS"), AND SENIOR AND PRIOR WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S SEWER REVENUE BOND, SERIES 1990 B (THE "SERIES 1990 B BONDS"), DATED JUNE 14, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $29,738 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds, and senior and prior to the pledge of Net Revenues in favor of the Holders of the Series 1990 B Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2003 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2003 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for

principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2003 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

IN WITNESS WHEREOF, THE CITY OF HINTON has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated _____, 2003.

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2003 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: , 2003.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$		(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
L11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	S		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(1 S)	$		(36)	$	

TOTAL $

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Bond Purchase Agreement. The Series 2003 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Bond Purchase Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Bond Purchase Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Bond Purchase Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Within 60 days following the Completion Date of the Project, the Issuer will file with the Authority and the DEP a schedule, the form of which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (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 the Issuer and from each other:

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

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

(3) Renewal and Replacement Fund (established by the Prior Ordinances); and

(4) Series 2003 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (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 the Issuer and from each other:

(1) Series 1990 A Bonds Sinking Fund (established by the Prior Ordinances);

(2) Within the Series 1990 A Bonds Sinking Fund, the Series 1990 A Bonds Reserve Account (established by the Prior Ordinances);

(3) Series 1990 B Bonds Sinking Fund (established by the Prior Ordinances);

(4) Within the Series 1990 B Bonds Sinking Fund , the Series 1990 B Bonds Reserve Account (established by the Prior Ordinances);

(5) Series 1990 C Bonds Reserve Account (established by the Prior Ordinances);

(6) Series 2003 A Bonds Sinking Fund; and

(7) Within the Series 2003 A Bonds Sinking Fund, the Series 2003 A Bonds Reserve Account.

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

(1) The Issuer shall first, each month, transfer from the monies in the Revenue Fund to the Operation and Maintenance Fund the amount necessary and sufficient to pay current Operating Expenses of the System,

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit (i) to the Commission for deposit in the Series 1990 A Bonds Sinking Fund, the amount required by the Prior Ordinances to pay interest on the Series 1990 A Bonds; and (ii) to the National Finance Office, the amount required by the Prior Ordinances to pay interest on the Series 1990 C Bonds.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit (i) to the Commission, for deposit in the Series 1990 A Bonds Sinking Fund, the amount required by the Prior Ordinances to pay the principal of the Series 1990 A Bonds; (ii) to the National Finance Office, the amount required by the Prior Ordinances to pay the principal of the Series 1990 C Bonds; and (iii) commencing 3 months prior to the first date of payment of principal of the Series 2003 A Bonds, for deposit in the Series 2003 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2003 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2003 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly

principal payment date, the required amount of principal coming clue on such date.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission (i) for deposit in the Series 1990 A Bonds Reserve Account and Series 1990 C Bonds Reserve Account, the amount required by the Prior Ordinances; and (ii) commencing 3 months prior to the first date of payment of principal of the Series 2003 A Bonds, if not fully funded upon issuance of the Series 2003 A Bonds, for deposit in the Series 2003 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2003 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2003 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2003 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount equal to 2 112% of the Gross Revenues each month (as previously set forth in the Prior Ordinances and not in addition thereto), exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1990 B Bonds Sinking Fund, the amount required by the Prior Ordinances to pay the principal of the Series 1990 B Bonds.

(7) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1990 B Bonds Reserve Account, the amount required by the Prior Ordinances.

Monies in the Series 2003 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2003 A Bonds as the same shall become due. Monies in the Series 2003 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2003 A Bonds as the same shall come due, when other monies in the Series 2003 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2003 A Bonds Sinking Fund and the Series 2003 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2003 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2003 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2003 A Bonds Reserve Account which result in a reduction in the balance of the Series 2003 A Bonds Reserve Account to below the Series 2003 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the priority as set forth above.

As and when additional Bonds ranking on a parity with the Series 2003 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2003 A Bonds Sinking Fund or into the Series 2003 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2003 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 1990 A Bonds, the Series 1990 C Bonds, and the Series 2003 A Bonds, and thereafter, with respect to the Series 1990 B Bonds, all in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2003 A Bonds Sinking Fund and the Series 2003 A Bonds Reserve Account created hereunder, and all required amounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into the Series 2003 A Bonds Sinking Fund and the Series 2003 A Bonds Reserve Account shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2003 A Bonds Sinking Fund and the Series 2003 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2003 A Bonds Sinking Fund, including the Series 2003 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2003 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month), deposit with the Commission the required interest, if any, principal and reserve account payments with respect to the Series 2003 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission, the SRF Administrative Fee as set forth in the Schedule Y attached to the Bond Purchase Agreement.

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

D. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In

the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority anytime make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The monies in excess of the sum insured by the maximum amounts insured by FDIC in all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2003 A Bonds Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2003 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2003 A Bonds, there shall first be deposited with the Commission in the Series 2003 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2003 A Bonds, there shall be deposited with the Commission in the Series 2003 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2003 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2003 A Bonds, such monies shall be deposited with the Depository Bank in the 2003 A Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02 hereof, and until expended, are hereby pledged as additional security for the Series 2003 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2003 A Bonds shall be expended as directed by the DEP.

Section 6.02. Disbursements From the Series 2003 A Bonds Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 2003 A Bonds will be expended and the disbursement procedures of such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2003 A Bonds Construction Trust Fund shall be made only after submission to, and approved from, the Authority and the DEP of the following:

(I) a completed and signed "Payment Requisition Form," a form of which is attached to the Bond Purchase Agreement, in compliance with the construction schedule; and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

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

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

Pending such application, monies in the Series 2003 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2003 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2003 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2003 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2003 A Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2003 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2003 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2003 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System, on a parity with the lien on the Net Revenues in favor of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds and senior and prior to the lien on the Net Revenues in favor of the Holders of the Series 1990 B Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Prior Bonds and the Series 2003 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Bond Purchase Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the sewer rate ordinance of the Issuer enacted November 17, 1998, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2003 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Purchase Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2003 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinances. Additionally, so long as the Series 2003 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2003 A Bonds, immediately be remitted to the Commission for deposit in the Series 2003 A Bonds Sinking Fund, and, with the written permission of the Authority or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2003 A Bonds. Any balance remaining after the payment of the Bonds and the interest , if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, in writing determine upon consultation with the Consulting Engineers

that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding in accordance with the laws of the State. The proceeds of any such sale shall be remitted by the Issuer to the Commission for deposit in the Sinking Funds for prepayment of the Bonds. The payment of such proceeds into the Renewal and Replacement Fund and the Sinking Funds shall not reduce the amounts required to be paid into such funds by other provisions of this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2003 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2003 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2003 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2003 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2003 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the DEP prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable. Additionally, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2003 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Ordinances).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2003 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of additions, extensions, betterments or improvements to the System or refunding any outstanding Bonds, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless and until there has been procured and filed with the Recorder a written statement by the Independent Certified Public Accountants reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

(1) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Net Revenues of the System and their source of and security for payment from said Net Revenues, without preference of any Bond of one series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2003 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the mariner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2003 A Bonds.

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

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

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

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

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

The Issuer shall file with the Authority and the DEP, or any other original purchaser of the Series 2003 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2003 A Bonds, requesting the same, an annual report containing the following:

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

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

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a

summary thereof, to any Haider or Holders of the Series 2003 A Bonds and shall submit said report to the Authority and the DEP, or any other original purchaser of the Series 2003 A Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Bond Purchase Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

The Issuer shall provide the DEP with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in EXHIBIT E of the Bond Purchase Agreement or as promulgated from time to time.

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

Section 7.09. Rates. Prior to the issuance of the Series 2003 A Bonds, equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at Ieast 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2003 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to

the Series 2003 A Bonds, including the Prior Bonds; provided that, in the event the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2003 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with or junior to the Series 2003 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2003 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2003 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04 hereof.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at Ieast 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the DEP and the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance within 30 days of adoption to the Authority and the DEP and to any Holder of the Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the DEP, the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Bond Purchase Agreement, and forward a copy of such report to the DEP and the Authority by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Bond Purchase Agreement, stating, among other things, that the Project has been or will be constructed in

accordance with the approved plans, specifications and designs as submitted to the Authority and the DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the DEP is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

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

The Issuer shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Bond Purchase Agreement as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all state and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Bond Purchase Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System, and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider of such water, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2003 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against

the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Bond Purchase Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

(4) FLOOD INSURANCE, if the facilities of the System are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

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

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

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

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

Section 7.16. 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.

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

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and has obtained all approvals for the issuance of the Series 2003 A Bonds required by State law, with all appeal periods having expired without successful appeal.

Section 7.18. Compliance with Bond Purchase Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Bond Purchase Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer shall provide the DEP with copies of all documents submitted to the Authority.

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

Section 7.19. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2003 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2003 A Bonds during the term thereof is, under the terms of the Series 2003 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5 % of the Net Proceeds of the Series 2003 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5 % of the principal or 5 % of the interest due on the Series 2003 A Bonds during the term thereof is, under the terms of the Series 2003 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in

respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2003 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2003 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5 % or $5,000,000 of the Net Proceeds of the Series 2003 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2003 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2003 A Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2003 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2003 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2003 A Bonds held in "contingency" as set forth in the

Schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2003 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2003 A Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest on the Series 2003 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2003 A Bonds as a condition to issuance of the Series 2003 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2003 A Bonds as may be necessary in order to maintain the status of the Series 2003 A Bonds as governmental bonds; (ii) that

it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2003 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, the West Virginia Infrastructure and Jobs Development Council or the DEP, as the case may be, from which the proceeds of the Series 2003 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, the West Virginia Infrastructure and Jobs Development Council or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2003 A Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2003 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2003 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2003 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2003 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or

(4) If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2003 A Bonds shall be on a parity with the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds and senior and prior to the Holders of the Series 1990 B Bonds.

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

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

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

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

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

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01.. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2003 A Bonds, the principal of and interest due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2003 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2003 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2003 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2003 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2003 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2003 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2003 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2003 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2003 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2003 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed. Except for the Prior Ordinances, all ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided

that, in the event of any conflict between this Ordinance and the Prior Ordinances, the Prior Ordinances shall control (unless less restrictive), so long as the Prior Bonds are Outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Ordinance do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Mayor, the Recorder and members of the Governing Body were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in *The Hinton News,* a newspaper published and of general circulation in The City of Hinton, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2003 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading:	-	July 22, 2003
Passed on Second Reading:	-	August 19, 2003
Passed on Final Reading Following Public Hearing:		September 16, 2003

Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of The City of Hinton on the 16th day of September, 2003.

Dated: **March** 30, 2004.

[SEAL]

Recorder

03/11/04
414550.00001

EXHIBIT A

Bond Purchase Agreement included in bond transcript as Document 3.

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF HINTON; CHANGING THE SERIES DESIGNATION; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of The City of Hinton (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective September 16, 2003 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF HINTON AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $775,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE

RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), of the Issuer, in an aggregate principal amount not to exceed $775,000;

WHEREAS, the Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), were not issued in 2003 but will be issued in 2004;

WHEREAS, the Governing Body desires to redesignate the Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), as Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program) (the "Bonds" or "Series 2004 A Bonds");

WHEREAS, the Bond Ordinance has authorized the execution and delivery of the bond purchase agreement relating to the Series 2004 A Bonds, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), all in accordance with Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and in the Bond Ordinance it is provided that the form of the Bond Purchase Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted, the Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program), are hereby redesignated as Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-I, in the principal amount of $490,000. The Series 2004 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2044, and shall bear no interest. The principal of the Series 2004 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2005, and maturing March 1, 2044, and in the amounts as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Series 2004 A Bonds. The Series 2004 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2004 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.5% of the principal amount of the Series 2004 A Bonds set forth in the "Schedule Y" attached to the Bond Purchase Agreement.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Bond Purchase Agreement, a copy of which is incorporated herein by reference, and the

execution and delivery of the Bond Purchase Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the applications to the DEP and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate First Century Bank, Bluefield, West Virginia, to serve as Depository Bank under the Bond Ordinance.

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

Section 8. Series 2004 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2004 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2004 A Bonds shall be deposited in or credited to the Series 2004 A Bond Construction Trust Fund as received from the DEP from time to time for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about March 30, 2004, to the Authority pursuant to the Bond Purchase Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 13. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2004 A Bonds Sinking Fund and the Series 2004 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 14. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 16th day of March, 2004.

By: _____

Its: Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of The City of Hinton on the 16th day of March, 2004.

Dated: March 30, 2004.

[SEAL]

Recorder

03/11/04
414550.00001

SRF-BPA- 1
(01112/04)

BOND PURCHASE AGREEMENT

THIS WATER POLLUTION CONTROL REVOLVING FUND BOND PURCHASE AGREEMENT (the "Bond Purchase Agreement"), made and entered into in several counterparts, by and among the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), the WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION (the "DEP"), and the local government designated below (the "Local Government").

CITY OF HINTON
(Local Government)

WITNESSETH:

WHEREAS, the United States Congress under Title VI of the federal Clean Water Act, as amended (the "Clean Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining state water pollution control revolving funds for the planning, design, construction, acquisition and/or improvement of wastewater treatment facilities;

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to acquire bonds of particular local governments pursuant to the Clean Water Act;

WHEREAS, under the Act the DEP is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition § 66.458 (1998)) and DEP has been awarded capitalization grants to partially fund the Program;

WHEREAS, under the Act and under the direction of DEP, the Authority has established a permanent perpetual fund known as the "West Virginia Water Pollution Control Revolving Fund" (hereinafter the "Fund");

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to utilize moneys from the Fund to purchase the bonds of local governments to provide the financing for the acquisition or construction of wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in the Clean Water Act and the Act;

WHEREAS, the Local Government constitutes a local government as defined by the Act;

WHEREAS, the Local Government is included on the DEP State Project Priority List and the Intended Use Plan and has met DEP's pre-application requirements for the Program;

WHEREAS, the Local Government is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a wastewater treatment project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Local Government;

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

WHEREAS, the Local Government has completed and filed with the Authority and DEP an Application for Purchase of Bonds with attachments and exhibits and an Amended Application for Purchase of Bonds also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference;

WHEREAS, having reviewed the Application and the Fund having available sufficient funds therefor, the Authority and DEP are willing to lend the Local Government the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Government with moneys held in the Fund, subject to the Local Government's satisfaction of certain legal and other requirements of the Program; and

WHEREAS, the Local Government meets the "disadvantaged community" provisions of the SRF Regulations.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Government, DEP and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "fund," "local government," and "project" have the definitions and meanings ascribed to them in the Act or in the SRF Regulations.

1.2 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any successor thereto.

1.3 "Local Act" means the official action of the Local Government required by Section 4.1 hereof, authorizing the Local Bonds.

1.4 "Local Bonds" means the revenue bonds to be issued by the Local Government pursuant to the provisions of the Local Statute, as hereinafter defined, and to be purchased by the Authority with money held in the Fund, all in accordance with the provisions of this Bond Purchase Agreement.

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

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

1.7 "Program" means the wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Clean Water Act and administered by DEP.

1.8 "Project" means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Government in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.9 "SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations, as amended.

1.10 "System" means the wastewater treatment facility owned by the Local Government, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

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

ARTICLE II

The Project and the System

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

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

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

2.4 The Local Government agrees that the Authority and DEP and their respective duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Local Government further agrees that the Authority and DEP and their respective duly authorized agents shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities

as may be reasonably necessary to accomplish all of the powers and rights of the Authority and DEP with respect to the System pursuant to the pertinent provisions of the Act.

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

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

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

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

so long as any of the Local Bonds are outstanding. Prior to commencing operation of the Project, the Local Government must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Local Government shall provide and maintain competent and adequate engineering services satisfactory to the Authority and DEP covering the supervision and inspection of the development and construction of the Project and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, DEP and the Local Government at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies. The Local Government shall require the Consulting Engineers to submit Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project.. The Local Government shall notify DEP in writing of such receipt. The Local Government shall submit a Performance Certificate, the form of which is attached hereto as Exhibit A, and being incorporated herein by reference, to DEP within 60 days of the end of the first year after the Project is completed.

2.10 The Local Government shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to DEP when the Project **is** 90% completed. The Local Government shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Government shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator(s) to operate the System during the entire term of this Bond Purchase Agreement. The Local Government shall notify DEP in writing of the certified operator employed at the 50% completion stage.

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

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

2.13 The Local Government, during construction of the Project, shall complete Payment Requisition Forms, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward such forms to DEP in compliance with the Local Government's construction schedule.

ARTICLE III

Conditions to Purchase of Local Bonds; Issuance of Local Bonds

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

(a) The Local Government shall have delivered to the Authority and DEP a report listing the specific purposes for which the proceeds of the Local Bonds will be expended and the procedures as to the disbursement ofbond proceeds, including an estimated monthly draw schedule;

(b) The Local Government shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Bond Purchase Agreement;

(c) The Local Government shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article 1V hereof;

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

(e) The Local Government shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the

Project, and the Authority and DEP shall have received a certificate of the Consulting Engineers to such effect;

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

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

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

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1 (b)(ii) hereof, and the Authority and DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

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

experienced in the financing of wastewater treatment projects and satisfactory to the Authority and DEP, to such effect, such certificate to be in form and substance satisfactory to the Authority and DEP, and evidence satisfactory to the Authority and DEP of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Bond Purchase Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF Regulations, or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall purchase the Local Bonds of the Local Government and the Local Government shall issue and sell the Local Bonds to the Authority, and in furtherance thereof it is agreed that the Local Government shall sell to the Authority and the Authority shall purchase the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Local Bonds shall be secured and shall be repaid in the manner hereinafter provided in this Bond Purchase Agreement.

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

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for financing of wastewater treatment projects and that the obligation of the Authority to purchase the Local Bonds is subject to the Local Government's fulfilling all of the terms and conditions of this Bond Purchase Agreement on or prior to the Date of Closing and to the requirements of the Program. The Local Government specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to such purchase, the Authority may purchase the bonds of other

local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all bonds will be purchased in conjunction with the SRF Regulations and with the prior approval of DEP.

3.6 The Local Government shall provide DEP with the appropriate documentation to comply with the special conditions regarding the public release and audit requirements, established by federal and State regulations as set forth in Exhibit E attached hereto at such times as are set forth therein.

ARTICLE IV

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

4.1 The Local Government shall, as one of the conditions of the Authority and DEP to purchase the Local Bonds, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Local Government in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows:

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (113) of the interest payment next coming due on the Local Bonds and one-third (113) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1112) of one-tenth (1110) of the Reserve Requirement or,

if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

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

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the net or gross revenues of the System as provided in the Local Act;

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

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

(iv) That, except as otherwise required by State law or the SRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole or substantially as a whole, provided that the net proceeds to be realized from

such sale, mortgage, lease or other disposition shaII be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of such System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

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

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

(vii) That the Local Government will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the perfounance of the duties of the Local Government under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

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

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

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

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

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Local Government may authorize redemption of the Local Bonds with 30 days written notice to the Authority;

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

(xvii) That the Local Government shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Local Government shall complete the Monthly Payment Form, attached hereto as Exhibit F

and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month;

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

(xix) That the Local Government shall have obtained the certificate of the Consulting Engineers to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and DEP is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

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

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

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

4.2 The Local Bonds shall be secured by the pledge and assignment by the Local Government, as effected by the Local Act, of the fees, charges and other revenues of the Local Government from the System.

4.3 At least five percent (5%) of the proceeds of the Local Bonds will be advanced on the Date of Closing. The remaining proceeds of the Local Bonds shall be advanced by the DEP monthly as required by the Local Government to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Government, the DEP and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the SRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.4 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Local Government. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series.

4.5 As provided by the SRF Regulations, the Local Government agrees to pay from time to time, if required by the Authority and DEP, the Local Government's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be determined by the Authority and shall include, without limitation, Program expenses, legal fees paid by the Authority and fees paid to the trustee and paying agents for any bonds or notes to be issued by the Authority for contribution to the Fund and the fees and expenses of any corporate trustee for the Fund.

4.6 The obligation of the Authority to purchase the Local Bonds shall be conditioned upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to purchase the Local Bonds.

ARTICLE V

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

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

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

5.3 In the event the Local Government defaults in any payment due to the Authority pursuant to this Bond Purchase Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Local Bonds next due, from the date of the default until the date of the payment thereof.

5.4 The Local Government hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Local Government, the Authority may exercise any or all of the rights and powers granted under Section 5 of the Act, including, without limitation, the right to impose, enforce and collect charges of the System.

ARTICLE VI

Other Agreements of the Local Government

6.1 The Local Government hereby acknowledges to the Authority and DEP its understanding of the provisions of the Act, vesting in the Authority and DEP certain powers, rights and privileges with respect to wastewater treatment projects in the event of default by the Local Government in the terms and covenants of this Bond Purchase Agreement, and the Local Government hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Government shah take

no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Bond Purchase Agreement.

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

6.3 The Local Government hereby agrees to repay on or prior to the Date of Closing any moneys due and owing by it to the Authority or any other lender for the planning or design of the Project, provided that such repayment shall not be made from the proceeds of the Local Bonds.

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

6.5 Notwithstanding Section 6.4, the Authority and DEP may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Government to be monitored or cause the rebate calculations for the Local Government to be prepared, in either case at the expense of the Local Government.

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

6.7 The Local Government hereby agrees to file with the Authority and DEP upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Schedules X and Y shall be attached to this Bond Purchase Agreement by the Authority as soon as practicable after the Date of Closing is established and shall be approved by an official action of the Local Government supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

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

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

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

7.5 This Bond Purchase Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Local Bonds and constitutes the entire agreement between the parties hereto in respect thereof.

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

7.7 This Bond Purchase Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Government from either the Authority or DEP;

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

(iii) termination by the Authority and DEP pursuant to Section 6.2 hereof; or

(iv) payment in full of the principal of and interest on the Local Bonds and of any fees and charges owed by the Local Government to the Authority or DEP; provided that the amount of the Local Bonds purchased under this Bond Purchase Agreement in any succeeding fiscal year is contingent upon funds being appropriated by the State legislature or otherwise being available to purchase the Local Bonds. In the event funds are not appropriated or otherwise available to purchase all of the Local Bonds, the responsibility of the Authority and DEP to purchase the Local Bonds is terminated; provided further that the obligation of the Local Government to repay the outstanding amount of the Local Bonds is not terminated due to such non-funding on any balance of the Local Bonds. The DEP agrees to use its best efforts to have the amount contemplated under this Bond Purchase Agreement included in its budget. Non-appropriation or non-funding of the Loan shall not be considered an event of default under this Bond Purchase Agreement.

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

CITY OF HINTON
[Name of Local Government]

(SEAL)

By: ;a/~~
Its: Mayor
Date: 5- 3-6'4

Attest:

Its: Recorder

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, DIVISION OF WATER AND WASTE MANAGEMENT

By:
Its: Director
Date: ~-rl-cf

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By:
Its: Director
Date: March 1, 2004

Attest:

Its: Secretary-Treasurer

000832/00372
01/12/04

EXHIBIT A

FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B

MONTHLY FINANCIAL REPORT

Name of Local Government _____

Name of Bond Issue(s) _____

Type of Project _____ Water _____ Wastewater

Fiscal Year _____ Report Month

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service				
Economic Development Administration				
Other (Identify)				
_____				
_____				
4. Renewal and Replacement Fund Deposits				

_____

Name of Person Completing Form

_____

Address

_____

Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item I — You will need a copy of the current fiscal year budget adopted by the Local Government to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 — Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900112). This is the incremental amount for the Budget Year-to-Date column.

Item 3 — Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Local Government according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 — Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Government.

The Local Government must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10`h day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT C

PAYMENT REQUISITION FORM

(All Copies to Be Provided by DEP for Each Project)

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
{Name of Bonds)

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

1. My fun is engineer for the acquisition and construction of to the_____ system (the "Project") of_____ (the "Issuer"), to be constructed primarily in _____County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meaning set forth in the bond _____adopted or enacted by the Issuer on_____, and the Bond Purchase Agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), dated_____

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

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

set forth in Schedule attached hereto as Exhibit A, and my firm has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof', the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Bond Purchase Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this _____ day of

_____

By

West Virginia License No.

[SEAL]

If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

[2] If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith, " at the begimiing of (ix).

EXHIBIT E

SPECIAL CONDITIONS

A. PUBLIC RELEASE REQUIREMENT - The Local Government agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, ground breaking or project dedication program documents and other documents describing projects or programs funded in whole or in part with Federal money, (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

B. AUDIT REQUIREMENT [Supplement to Article IV 4.1 (b) (xi)] - Effective October 1, 2003, the Local Government that receives $500,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

EXHIBIT F

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	$____
Principal	$____
Total:	$_____

Reserve Account:

Witness my signature this day of

[Name of Local Government]

By:_____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

OPINION OF BOND COUNSEL FOR LOCAL GOVERNMENT

[To Be Dated as of Date of Closing]

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

West Virginia Department of Environmental Protection
1560 Kanawha Boulevard, East
Charleston, WV 25311

Ladies and Gentlemen:

We are bond counsel to _____ (the "Local Government"), a _____

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a bond purchase agreement dated _____, - , including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and (ii) the issue of a series of revenue bonds of the Local Government, dated _____ __ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal only to the Authority, with principal payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning _____ 1, _____, and ending _____1, _____, all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Local Bonds.

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

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

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

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

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

2. The Bond Purchase Agreement inures to the benefit of the Authority and the DEP and cannot be amended so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Local Government without the consent of the Authority and the DEP.

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

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

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

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

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	$490,00Q
Purchase Price of Local Bonds	$490,000

The Local Bonds shall bear no interest. Commencing June 1, 2005, principal of the Local Bonds is payable quarterly, with an administrative fee of ¹/z%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Local Government shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local Government shall commence the payment of the 11120 of the maximum annual debt service on the first day of the month it makes its first monthly payment to the Commission. The Local Government shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

The Local Bonds are fully registered in the name of the Authority as to principal only and the Local Bonds shall grant the Authority a first lien on the net or gross revenues of the Local Government's system as provided in the Local Act.

The Local Government may prepay the Local Bonds in full at any time at the price of par upon 30 days' written notice to the Authority and DEP. The Local Government shall request approval from the Authority and DEP in writing of any proposed debt which will be issued by the Local Government on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Local Government: Sewer Revenue Bond, Series 1990 A, dated June 14, 1990, issued in the original principal amount of $637,262 (Water Development Authority) and Sewer Revenue Bond, Series 1990 C, dated June 14, 1990, issued in the original principal amount of $668,000 (Rural Utilities Service).

City of Hinton

Loan of $490,000
0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date
Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2004	-	-	-
9/01/2004	-	-	-
12/01/2004	-	-	-
3/01/2005	-	-	-
6/01/2005	3,141.03	-	3,141.03
9101/2005	3,141.03	-	3,141.03
12/01/2005	3,141.03	-	3,141.03
3/01/2006	3,141.03	-	3,141.03
6/01/2006	3,141.03	-	3,141.03
9/01/2006	3,141.03	-	3,141.03
12/01/2006	3,141.03	-	3,141.03
3/01/2007	3,141.03	-	3,141.03
6/01/2007	3,141.03	-	3,141.03
9/01/2007	3,141.03	-	3,141.03
12101/2007	3,141.03	-	3,141.03
3/01/2008	3,141.03	-	3,141.03
6/01/2008	3,141.03	-	3,141.03
9/01/2008	3,141.03	-	3,141.03
12/01/2008	3,141.03	-	3,141.03
3/01/2009	3,141.03	-	3,141.03
6/01/2009	3,141.03	-	3,141.03
9/01/2009	3,141.03	-	3,141.03
12/01/2009	3,141.03	-	3,141.03
3/01/2010	3,141.03	-	3,141.03
6/01/2010	3,141.03	-	3,141.03
9/01/2010	3,141.03	-	3,141.03
12/01/2010	3,141.03	-	3,141.03
3/01/2011	3,141.03	-	3,141.03
6/01/2011	3,141.03	-	3,141.03
9/01/2011	3,141.03	-	3,141.03
12/01/2011	3,141.03	-	3,141.03
3/01/2012	3,141.03	-	3,141.03
6/01/2012	3,141.03		3,141.03
9/01/2012	3,141.03	-	3,141.03
12/01/2012	3,141.03	-	3,141.03
3/01/2013	3,141.03	-	3,141.03
6/0112013	3,141.03	-	3,141.03
9/01/2013	3,141.03	-	3,141.03
12/01/2013	3,141.03	-	3,141.03
3/01/2014	3,141.03	-	3,141.03
6/01/2014	3,141.03	-	3,141.03
9/01/2014	3,141.03		3,141.03
12/01/2014	3,141.03	-	3,141.03
3/01/2015	3,141.03	-	3,141.03
6/01/2015	3,141.03	-	3,141.03
9/01/2015	3,141.03	-	3,141.03
12/01/2015	3,141.03	-	3,141.03

City of Hinton
Loan of $490,000
0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date
Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2016	3,141.03	-	3,141.03
6/01/2016	3,141.03	-	3,141.03
9/01/2016	3,141.03	-	3,141.03
12/01/2016	3,141.03	-	3,141.03
3/01/2017	3,141.03	-	3,141.03
6/01/2017	3,141.03	-	3,141.03
9/01/2017	3,141.03	-	3,141.03
12/01/2017	3,141.03	-	3,141.03
3/01/2018	3,141.03	-	3,141.03
6/01/2018	3,141.03	-	3,141.03
9/01/2018	3,141.03	-	3,141.03
12/01/2018	3,141.03	-	3,141.03
3/01/2019	3,141.03	-	3,141.03
6/01/2019	3,141.03	-	3,141.03
9/01/2019	3,141.03	-	3,141.03
12/01/2019	3,141.03	-	3,141.03
3/01/2020	3,141.03	-	3,141.03
61011 • 0	3,141.13	-	3,141.03
9/01/2020	3,141.03	-	3,141.03
12/01/2020	3,141.03		3,141.03
3/01/2021	3,141.03	-	3,141.03
6/01/2021	3,141.03	-	3,141.03
9/01/2021	3,141.03	-	3,141.03
12/01/2021	3,141.03	-	3,141.03
3/01/2022	3,141.03	-	3,141.03
6/01/2022	3,141.03	-	3,141.03
9/01/2022	3,141.03	-	3,141.03
12/01/2022	3,141.03	-	3,141.03
3/01/2023	3,141.03	-	3,141.03
6/01/2023	3,141.03	-	3,141.03
9/01/2023	3,141.03	-	3,141.03
12/01/2023	3,141.03	-	3,141.03
3/01/2024	3,141.03	-	3,141.03
6/01/2024	3,141.03	-	3,141.03
9/01/2024	3,141.03	-	3,141.03
12/01/2024	3,141.03	-	3,141.03
3/01/2025	3,141.03	-	3,141.03
6/01/2025	3,141.03		3,141.03
9/01/2025	3,141.03	-	3,141.03
12/01/2025	3,141.03	-	3,141.03
3/01/2026	3,141.03	-	3,141.03
6/01/2026	3,141.03	-	3,141.03
91011202.	,1 ' **1.l**	**-**	3,141.03
12/01/2026	3,141.03	-	3,141.03
3/01/2027	3,141.03	-	3,141.03
6/01/2027	3,141.02	-	3,141.02
9/01/2027	3,141.02	-	3,141.02

City of Hinton

Loan of $490,000

0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date

Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
12/01/2027	3,141.02	-	3,141.02
3/01/2028	3,141.02	-	3,141.02
6/01/2028	3,141.02	-	3,141.02
9/01/2028	3,141.02	-	3,141.02
12/01/2028	3,141.02	-	3,141.02
3/01/2029	3,141.02	-	3,141.02
6/01/2029	3,141.02	-	3,141.02
9/01/2029	3,141.02	-	3,141.02
12/01/2029	3,141.02	-	3,141.02
3/01/2030	3,141.02	-	3,141.02
6/01/2030	3,141.02	-	3,141.02
9/01/2030	3,141.02	-	3,141.02
12/01/2030	3,141.02	-	3,141.02
3/01/2031	3,141.02	-	3,141.02
6/01/2031	3,141.02	-	3,141.02
9/01/2031	3,141.02	-	3,141.02
12/01/2031	3,141.02	-	3,141.02
3/01/2032	3,141.02	-	3,141.02
6/01/2032	3,141.02	-	3,141.02
9/01/2032	3,141.02	-	3,141.02
12/01/2032	3,141.02	-	3,141.02
3/01/2033	3,141.02	-	3,141.02
6/01/2033	3,141.02	-	3,141.02
9/01/2033	3,141.02	-	3,141.02
12/01/2033	3,141.02	-	3,141.02
3/01/2034	3,141.02	-	3,141.02
6/01/2034	3,141.02	-	3,141.02
9/01/2034	3,141.02	-	3,141.02
12/01/2034	3,141.02	-	3,141.02
3/01/2035	3,141.02	-	3,141.02
6/01/2035	3,141.02	-	3,141.02
9/01/2035	3,141.02	-	3,141.02
12/01/2035	3,141.02	-	3,141.02
3/01/2036	3,141.02	-	3,141.02
6/01/2036	3,141.02	-	3,141.02
9101 /2	3,141.02	-	3,141.02
12/01/2036	3,141.02	-	3,141.02
3/0112037	3,141.02	-	3,141.02
6/01/2037	3,141.02	-	3,141.02
9/01/2037	3,141.02	-	3,141.02
12/01/2037	3,141.02	-	3,141.02
3/01/2038	3,141.02	-	3,141.02
6/01/2038	3,141.02	-	3,141.02
9/01/2038	3,141.02	-	3,141.02
12/01/2038	3,141.02		3,141.02
3/01/2039	3,141.02	-	3,141.02
6/01/2039	3,141.02	-	3,141.02

City of Hinton
Loan of $490,000
0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date
Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2039	3,141.02	-	3,141.02
12/01/2039	3,141.02	-	3,141.02
3/01/2040	3,141.02	-	3,141.02
6/01/2040	3,141.02	-	3,141.02
9/01/2040	3,141.02	-	3,141.02
1210112040	3,141.02	-	3,141.02
3/01/2041	3,141.02	-	3,141.02
6/01/2041	3,141.02	-	3,141.02
9/01/2041	3,141.02	-	3,141.02
12/01/2041	3,141.02	-	3,141.02
3/01/2042	3,141.02	-	3,141.02
6/01/2042	3,141.02	-	3,141.02
9/01/2042	3,141.02	-	3,141.02
12/01/2042	3,141.02	-	3,141.02
3/01/2043	3,141.02	-	3,141.02
6/01/2043	3,141.02	-	3,141.02
9/01/2043	3,141.02	-	3,141.02
12/01/2043	3,141.02	-	3,141.02
3101/2044	3,141.02	-	3,141.02
Total	**490,000.00**	**-**	**490,000.00** *

***Plus $308.22 one-half percent administrative fee paid quarterly. Total fee over life of loan is $48,082.32.**

YIELD STATISTICS

Bond Year Dollars	$10,066.77
Average Life	20.544 Years
Average Coupon	
Net Interest Cost (NIC)	
True Interest Cost (TIC)	1.10E-10
Bond Yield for Arbitrage Purposes	1.10E-10
All Inclusive Cost (AIC)	0.4765211%

IRS FORM 8038

Net Interest Cost	
Weighted Average Maturity	20.544 Years

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA - CHARLESTON

At a session of the Public Service Commission of West Virginia, in the City of Charleston, on the 26th day of March, 2004.

CASE NO. 03-0900-S-CN (Reopened)

CITY OF HINTON SANITARY BOARD
Application for a certificate of convenience and necessity to construct a sewage collection system at Route 20 across the New River from Hinton and in the Village of Brooklin, lying in both Summers and Raleigh Counties.

COMMISSION ORDER

This is before the Commission upon the City of Hinton Sanitary Board's request to reopen this certificate case for approval of a change in the scope and financing; of this project. The Commission shall grant the City's request.

BACKGROUND

On October 14, 2003, a Recommended Decision was issued granting the City of Hinton Sanitary Board (City) a certificate of convenience and necessity to construct certain additions and improvements to its sewage collection system in Summers and Raeigh Counties. (Final order November 19, 2001). The project proposed to serve approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas. (Final order, Finding of Fact No. 1). The Commission also approved the following financing for the project: a West Virginia Department of Environmental Protection (WVDEP) grant in the amount of $920,000, and a WVDEP State Revolving Fund (SRF) loan in the amount of $775,000. (Final order, Conclusion of Law No. 2). No rate increase was requested or granted. The City was directed to request a reopening of this case should there be any changes in the plans, scope or terms of financing of the project.

On January 23, 2004, the City filed a petition to reopen this proceeding to change the scope and financing of the project. The City indicated that the bids received for the original

project substantially exceeded available funding. (Petition p. 1). As a result, the City sought to change the scope of the project. The proposed change involved construction of only the Brooklin portion and deleted the Gold, coast portion oftheproject. (Id.). The City indicated that the change in scope would allow it to construct the Brooklin portion of the project within the previously approved grant and loan funding. (Id at p. 2). The City stated that its current rates would also be sufficient. (Id.)

On February 4, 2004, Staff filed its Initial Joint Staff Memorandum. Staff stated that additional information was required from the City before a final recommendation could be made. Staff noted that the bids for the revised project expire in March and recommended that the Commission expedite the processing of the request.

Also on February 4, 2004, Staff filed its first set of interrogatories and data requests directed to the City.

On February 19, 2004, the City filed its response to the interrogatories and data requests.

On February 27, 2004, Staff filed its Final Joint Staff Memorandum. Staff indicated that the purpose of the original project was to eliminate or reduce wastewater discharge into area streams and the New River. The revised project will provide sewer service to approximately forty (40) residential customers in the Village of Brooklin. (Final Internal Memorandum, p. 2). The revised project to provide sewer service to Brooklin is the result of the significant number of complaints concerning pollution at the mouth ofMadams Creek due to sewage discharge. (Id., at p. 4). Thus, Staff concluded, the revised project is necessary. (Id.)

The revised project is estimated to cost $1,423,000 and will be financed by a WVDEP grant in the amount of $920,000; a Governor's Partnership grant of $13,000; and a WVDEP SRF loan in the amount of $490,000 for 40 years at an interest rate of 0% and an annual administrative fee of 0.50%. (Id.). Although the City's projected increase in revenue for the project would not be sufficient to cover the additional expenses and debt service requirements incurred, Staff indicated that the City's pro forma annual surplus was sufficient to absorb the revenue shortfall. (Id., at p. 5). According to Staff, the existing rates would result in a pro forma surplus of $11,638 and debt coverage of 131.33%. (Id.) Staff opined that the revised project is financially feasible. (Id.)

Staff recommended that the case be reopened; that the request to revise the project scope be approved; that the revised project funding be approved; that should the City require any additional changes in the plans, scope of the project or terms of financing, it should

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OF WEST VIRCINIA
CHARLESTON

request additional approval from the Commission;. and that the City be required to notify the Commission when its engineer has performed the substantial completion inspection. (Id., at pp. 5-6).

DISCUSSION

The certificate case should be reopened to consider the City's petition.

Based upon a review of the foregoing, the Commission agrees with the City and Staff that need has been established for the revised project and that reasonable funding has been proposed. Therefore, the City's petition for approval to change the scope of the project to construct only the Brooklin portion of the project and related financing shall be approved. If there are further proposed changes in the project's plans; scope or financing, the City must petition the Commission for approval.

FINDINGS OF FACT

1. On October 14, 2003, a Recommended Decision was issued granting the City a certificate of convenience and necessity to construct certain additions and improvements to its sewage collection system in Summers and Raleigh Counties. (Final order November 19, 2001). The project proposed to serve approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas. (Final order, Finding of Fact No. 1). Project financing was also approved.

2, On January 23, 2004, the City filed a petition to reopen this proceeding to change the scope and financing of the *project.* The City indicated that the bids received for the original project substantially exceeded available funding.. (Petition p. 1). As a result, the City sought to change the scope of the project. The proposed change involved construction -of only the Brooklin portion and deleted the Gold Coast portion of the project. (Id.).

3. On February 27, 2004, Staff filed its Final Joint Staff Memorandum. Staff indicated that the revised project will provide sewer service to approximately forty (40) residential customers in the Village of Brooklin. (Final Internal Memorandum, p. 2). The revised project to provide sewer service to Brooklin is the result of the significant number of complaints concerning pollution at the mouth of Madams Creek due to sewage discharge. (Id., at p. 4). Thus, Staff concluded, the revised project is necessary. (Id.)

4. The revised project is estimated to cost $1,423,000 and will be financed by a WVDEP grant in the amount of $920,000, a Governor's Partnership grant of $13,000 and

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a WVDEP SRF loan in the amount of $490,000 for 40 years at an interest rate of 0% and an annual administrative fee of 0.50%. (Id.). Staff opined that the revised *project is* financially feasible. (Id.)

5. Staff recommended that the case be reopened; that the request to revise the project scope be approved; that the revisedproject funding be approved; that should the City require any additional changes in the plans, scope of the project or terms of financing, it should request additional approval from the Commission; and that the City be required to notify the Commission when its engineer has performed the substantial completion inspection. (Id., at pp. 5-6).

CONCLUSIONS OF LAW

1. The certificate case should be reopened to consider this petition.

2. The work contemplated by the revised project scope shows necessity as it will eliminate or reduce wastewater discharge into area streams and the New River

3. The funding package proposed by the City to satisfy the revised project cost is reasonable and will not require a rate increase.

4. Since need has been demonstrated, and reasonable funding has been proposed, the Commission shall grant the City's petition.

5. If there are further proposed changes in the project's plans, scope or financing, the City must petition the Commission for approval.

6. When the City's engineer has performed the substantial completion inspection, the City shall notify the Commission.

ORDER

IT IS, THEREFORE, ORDERED that the City of Hinton Sanitary Board's petition to reopen is granted.

IT IS FURTHER ORDERED that the City of Hinton Sanitary Board shall be permitted to revise the scope of the project to provide sewer service to approximately forty (40) residential customers in the Village of Brooklin_

IT IS FURTHER ORDERED that the City of Hinton Sanitary Board is authorized to finance the revised project as follows: a WVDEP grant in the amount of $920,000, a Governor's Partnership grant of $13,000 and a WVDEP SRF loan in the amount of .$490,000 for 40 years at-an interest rate of 0% and an annual administrative fee of 0.50%.

IT IS FURTHER ORDERED that if there are further proposed changes in the project's scope or financing, the City of Hinton Sanitary Board must petition the Commission for approval.

IT IS FURTHER ORDERED that the City of Huntington Sanitary Board shall notify the Commission when the City's project engineer has performed the substantial completion inspection, as required by law.

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

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

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A True Copy, Teste:

Sandra Squire

Sandra Squire
Executive Secretary

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PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

RECEIVED
1 1, 2003
REGION I PDC

Entered: September 24, 2003

FINAL
10-14-03

CASE NO. 03-0900-S-CN

CITY OF HINTON SANITARY BOARD
Application for a certificate of
-convenience and necessity to construct
a sewage collection system at *Route 20*
across the New River from Hinton and
in the Village of Brooklin, lying in
both Summers and Raleigh Counties.

RECOMMENDED DECISION

On June 12, 2003, the City of Hinton Sanitary Board (City of Hinton) filed an application for a certificate of convenience and necessity to construct certain additions and improvements to its sewage collection system in Summers and Raleigh Counties. The proposed project will consist of the construction of a collection system to serve approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas.[1] The proposed project will consist of approximately 9,000 linear feet of 8-inch gravity sewers; approximately 9,000 linear feet of 6 and 4-inch force mains; three pumping stations; and all related appurtenances and earth work. The City of Hinton estimated that the proposed construction will cost approximately $1,695,000, with the costs being financed by a West Virginia Department of Environmental Protection (WVDEP) grant in the amount of $920,000, and a WVDEP State Revolving Fund (SRF) loan in the amount of $775,000. The City of Hinton requested no change in its existing rates due to the proposed project.

By Order dated June 12, 2003, the City of Hinton was required to give notice of the filing of its application by publishing a copy of. said Order one time, in a newspaper duly qualified by the Secretary of State,

[1] The petition also includes an alternate project for just the Gold Coast area to allow for the situation of construction bids coming in higher than the estimated costs. The alternate eliminates the Madams Pump Station and the collection system for the Brooklin Community. The alternate project will *serve* approximately forty-seven equivalent residential customers. If the need for the use of this alternate project materializes, the City of Hinton will need to request from the Commission a reopening of this certificate *case* for appropriate adjustments and approval. At that time, Commission Staff would review the submitted alternate project information for approval.

published and generally circulated in each of the Counties of Summers and Raleigh, making due return to the Commission of proper certification of publication immediately after publication. The Notice stated that anyone desiring to protest or intervene in this proceeding should f le a wr ,tten protest or notice of intervention within thirty (30) days after publication, unless otherwise modified by Commission order. The Notice further provided that, if no protests were received within the thirty-day protest period, the Commission could waive formal hearing and giant the aopl i cation, based upon the evidence submitted in the application and the Commission's review thereof.

On June 26, 2003, Staff Attorney Cassius H. Toon filed an Initial and Final Joint Staff Memorandum, attaching the June 16, 2003 Initial and Final Internal Memorandum prepared by Scott McNeely, Utilities Analyst, Water and Wastewater Division, and David W. Holley, Technical Analyst-In-Training II, Engineering Division. Commission Staff reported that the City of Hinton operates a sanitary sewer system through its Sanitary Board which serves primarily the incorporated area of the City. An upgrade to the City's system in the early 1990s included the construction of a new 0.625 mgd extended aeration wastewater treatment plant along Route 20, near the current location of the Summers County High School. The old primary wastewater treatment plant was converted to a pumping station and wastewater is pumped approximately 7,000 feet north along Route 20 to the new plant. The existing wastewater collection system operates as a combined sewer system having a permitted discharge for treated wastewater at the wastewater treatment plant and six permitted discharges as combined sewer relief points. A sanitary sewer interceptor system was constructed in the I960s along the New and Greenbrier Rivers; however, most of the sewer collection system within the City predates the interceptor sewers and is not accurately mapped. The entire collection and interceptor system consists of approximately 26,900 linear feet of 6-inch, 187,400 linear feet of 8-inch, 5,300 linear feet of 12-inch and 12,100 linear feet of 15-inch gravity sewer; approximately 2,750 linear feet of 3-inch, 4,000 linear feet of 6-inch and 7,010 linear feet of 12-inch force main; four lift stations; and required appurtenances.

Several areas close to the City of Hinton, but beyond its corporate limits, have substantial residential or commercial development and are not currently provided with public sewer service. The areas that are included in the proposed project sub judice are less than ten miles from the Hinton corporate limits and lie within the City of Hinton's jurisdiction for providing sewer service. The proposed project will consist of the construction of a collection system to serve approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas. The project will consist of the construction of approximately 274 linear feet of 10-inch DIP; 7,836 linear feet of 8-inch PVC; 106 linear feet of 6-inch DIP; 1,008 linear feet of 6-inch PVC gravity sewer main; approximately 6,617 linear feet of 6-inch PVC; 2,379 linear feet of 4-inch PVC; 340 linear feet of 1-1/2-inch PVC force main; 469 linear feet of 6 and 8-inch highway crossing 1,315 linear feet of 6-inch PVC service line; seventy 6-inch service connections; forty-eight manholes; twenty-eight manhole drop connections; twenty 6-inch clean-outs; one force main clean-out; one grinder pump station; three lift stations (Gold Coast, Beech Run and Madams) ; and related appurtenances and earth *work.*

The total project cost is estimated to be $1,6-95,000, which breaks down as follows:

Construction	$1,225,583.00
Construction Contingency	122,558.00
Engineering	203,000.00
Lands and Rights-of-Way	40,000.00
Local Attorney	10,000.00
Bond Counsel	15,000.00
Permits	1,500.00
Capitalized Interest	3,500.00
Administration	45,000.00
Accountant	5,000.00
Project Contingency	23,859.00
Total Project Cost	$1,695,000.00.

The overall annual operation and maintenance (O&M) expenses are expected- . to increase due 0to the proposed project. Commission Staff reviewed the project cost and the change in O&M expenses and found them to be reasonable. A breakdown of the increase in O&M expenses is as follows:

Collection Labor	$ 975.00
Pumping Labor	975.00
Power and Fuel	2,010.00
Maintenance of Pumping System	3,000.00
Chemicals	550..00
Billing, Collecting and Accounting	800.00
Total Increase in O&M Expenses	$8,310.00

The City of Hinton was issued a letter dated February 10, 2003, from the WVDEP stating that the drawings and specifications for the proposed project were approved. The City of Hinton was also issued a letter dated May 30, 2003, from the WVDEP approving Modification No. 3 to the City's existing West Virginia NPDES Water Pollution Control Permit No. WV0024732, issued on April 14, 2000, which encompasses the proposed project sub judice.

The proposed project is estimated to cost $1,695,000 and will be financed by a WVDEP grant of $920,000 and a WVDEP SRF loan of $775,000 for 40 years at an interest rate of 0%, plus an annual administrative fee of .5%. The annual debt requirement on the SRF loan will be $19,375, with a 10% debt reserve of $1,938_ The annual administrative fee will be $2,006 and is reflected as an ON expense. Additionally, the City of Hinton intends to fund a renewal and replacement reserve of $11,270, which is 2.5% of annual operating revenues. The funding commitments for the WVDEP grant and SRF loan financing are included in the case file. Using the 88 equivalent residential customers, the cost per customer is $19,482, which Commission Staff believed to be high for a sewer project. If the $775,000 *SRF* loan is divided by the 88 equivalent residential customers, the cost per customer is $8,908, which Commission Staff believed to be acceptable *for* a sewer project. The number of customers per mile calculates to be 24.72, which Commission Staff believed to be slightly low.

Commission Technical Staff stated that the areas included in the project have a history of wastewater-related problems ranging from surface wastewater from failed septic tanks to suspected direct discharge into area streams and the New River. To alleviate or mitigate these problems the following alternatives were evaluated: 1) no action; 2) conventional gravity sewer systems and pressure sewer systems with treatment at the existing City of Hinton Wastewater Treatment Plant (WWTP); and 3) treatment by packaged wastewater treatment facilities. The City of Hinton's engineer concluded that the most cost-effective alternative was to have the sewage treated at the existing Hinton WWTP using a combination of gravity and pressure sewers. Commission Technical Staff agreed with this conclusion.

Commission Financial Staff noted that the City of Hinton was requesting no change in its existing rates due to the proposed project sub judice. The current average monthly bill based on 4,500 gallons is $24.75 and the minimum monthly bill based-on 2,000 gallons is $11.00. According to the City of Hinton's Rule 42 Exhibi-t, the anticipated increase in revenues is approximately $21,069. This amount of estimated revenues is based on 80% of the proposed customers at 4,500 gallons monthly per customer. The City's accountant based the revenue projections on an initial hook-up rate of 80% of the potential eighty-eight (88) customers, which equates to approximately 71 customers. The amount of projected revenues will not be sufficient to cover the additional O&M expenses of $10,316, debt service requirement of $19,375 and the reserve requirements of $13,208 that will be incurred due to this project. However, the City's going-level surplus is adequate to absorb this revenue shortfall. The resulting pro forma surplus and debt coverage will be approximately $10,614 and .129.550, respectively. Thus, the project as proposed is financially feasible and should be approved. The City of Hinton's cash flow analysis for the year ending June 30, 2002, along with its current and proposed tariff, are attached to the Staff Memorandum.

Accordingly, having reviewed the financial and technical aspects of the City of Hinton's certificate filing, Commission Staff recommended:

(1) That, pursuant to West Virginia Code §24-2-11, the City of Hinton Sanitary Board be granted a certificate of convenience and necessity to construct the project described herein;

(2) Approval of the project funding consisting of the following:

West Virginia Department of Environmental Protection Grant	$920,000
State Revolving Fund Loan 0% for 40 years with .5% administrative fee	$775,000;

(3) That, if additional funding is required to complete the proposed project, the City of Hinton be required to petition the Commission for approval of the same;

(4) That, if there *is* any change in the plans, scope, terms and conditions or financing for the project, the City of Hinton should request a reopening of this certificate case for adjustments and approval;

(5) That a copy of the bids be filed with the Cormrission and made part of this case file as soon as they are tabulated; and

(6) The the City of Hinton notify the Commission when its engineer has performed the substantial completion inspection.

On July 1, 2003, the City of Hinton filed affidavits of publication reflecting that the Notice of Filing had been published in The Register-Herald, a newspaper duly qualified by the Secretary of State, published and generally circulated .. in Raleigh County, West Virginia, on June 18, -2,003, and the Hinton News, a newspaper duly qualified by the Secretary of State, published and generally circulated in Summers County, West Virginia, on June 17, 2003. No protests were received to the application within the thirty-day response period, which expired on July 18, 2003, or as of the date of this Order.

By Order dated July 9, 2003, the Commission referred this matter to the Division of Administrative Law Judges for further disposition, with a decision due date of on or before January 8, 2004.

On July 15, 2003, the City of Hinton, by counsel, filed a Motion stating that it had no objections to Commission Staff's Initial and Final Joint Staff Memorandum and requesting expedited treatment of its certificate application.

DISCUSSION

Based upon a review of the City of Hinton's certificate application, as well as Staff's recommendations, it is clear that the proposed project is needed to prevent or eliminate the discharge of untreated sewage into nearby streams and the New River. Prevention or elimination of such discharge into the New River is particularly warranted and justified in light of the amount of tourism trade that the New River generates for the City of Hinton and its surrounding areas, to say nothing of the sanitary, ecological and aesthetic reasons for protecting the New River and its tributaries. Additionally, the proposed project appears to be economically feasible and should be approved since it will not require a change in the City of Hinton's existing rates and will also allow for the handling of additional flows generated by future growth within the City of Hinton's service area.

FINDINGS OF FACT

1. The City of Hinton Sanitary Board filed an application for a certificate of convenience and necessity to construct certain additions and improvements to its sewage collection system to serve approximately

sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas. The construction will consist of approximately 9,000 linear feet of 8-inch gravity sewers, approximately 9,000 linear feet of 6 and 4-inch force mains, three pumping stations and all related appurtenances and earth work. No rate increase was requested. (See, June 12, 2003 filing).

2. The total estimated project cost of $1,695,000 will be funded by a WVDEP grant in the amount of $920,000 and a WVDEP State Revolving Fund loan in the amount of $775,000. (See, June 12, 2003 filing).

3. The City of Hinton gave notice of the filing of the application for a certificate of convenience and necessity in accordance with the Commission's requirements by publishing a Notice of Filing on June 18, 2003, in The Register-Herald, a newspaper published and generally circulated in Raleigh County, West Virginia, and on June 17, 2003, in the Hinton News, a :newspaper published and generally circulated in Summers County, West Virginia. (See, Affidavits of Publication filed July 1, 2003).

4. No protests were received to the application within the thirty-day response period, which expired on July 18, 2003, or as of the date of this Order. (See, case file generally).

5. The project is designed to eliminate the discharge of untreated sewage into nearby streams and the New River and will allow the City of Hinton to handle flows from future growth within its service area. (See, Initial and Final Joint Staff Memorandum and attachment filed June 26, 2003)

6. Commission Staff recommended that the City of Hinton be granted a certificate of convenience and necessity to construct and extend its sewage collection system to service approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas; that the project financing, consisting of a WVDEP grant of $920,000 and a WVDEP State Revolving Fund loan of $775,000, be approved; that, if there is any change in the plans, scope, terms and/or financing of the project, the City of Hinton notify the Commission and obtain approval thereof; that a copy of the bids be filed as soon as they are tabulated; and that the City of Hinton notify the Commission when its project engineer has performed the. substantial completion inspection. (See, Initial and Final Joint Staff Memorandum and attachment filed June 26, 2003).

CONCLUSION OF LAW

1. The public convenience and necessity require the issuance of a certificate of convenience and necessity to the City of Hinton Sanitary Board to construct a collection system to serve approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas of Summers and Raleigh Counties, West Virginia.

2. It is reasonable to ay p rove the project financing, consisting of a West Virginia Department of Environmental Protection grant of $920,000 and a WVDEP State Revolving Fund loan of $775,000.

ORDER

IT IS, THEREFORE, ORDERED that the application for a certificate of convenience and necessity filed herein on June 12, 2003, by the City of Hinton Sanitary Board, to construct a sewage collection system to serve approximately sixty-six residential and commercial customers (88 equivalent residential customers) in the Gold Coast and Brooklin areas of Summers and Raleigh Counties, West Virginia, at a total project cost not to exceed $1,695,000, be, and it hereby is, granted.

IT IS FURTHER ORDERED that the financing for the project certificated herein, consisting of a West Virginia Department of Environmental Protection grant of $920,000 and a West Virginia Department of Environmental Protection State Revolving Fund loan of $775,000, be, and hereby is, approved.

IT IS FURTHER ORDERED that, should any change occur with respect to the cost, scope, terms and conditions or financing of the project herein approved, the City of Hinton Sanitary Board shall notify the Commission immediately and obtain Commission consent and approval for any such revision or change prior to commencing construction.

IT IS FURTHER ORDERED that the City of Hinton Sanitary Board shall file a copy of the bids received for the project hereby certificated as soon as they are tabulated and shall notify the Commission when its project engineer has performed the substantial completion inspection.

IT IS FURTHER ORDERED that this matter be, and hereby is, removed from the Commission's docket of open cases.

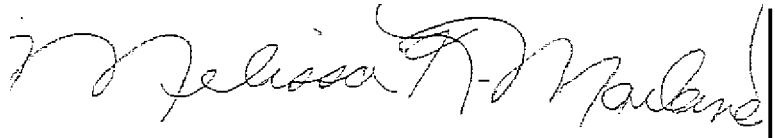
The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

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 Corarlissi an.



Melissa K. Marland
Chief Administrative Law Judge

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West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
'3enry Harmon, Vice Chairman
Hurricane
Dwight Calhoun
Petersburg
C. R. "Rennie" Hill, III
Beckley

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

Katy Mallory, PE
Executive Secretary

Katy.MallorVIeverizen.net

May 7, 2003

The Honorable Cleo Matthews
Mayor, City of Hinton
P.O. Box 528
Hinton, West Virginia 25951

Re: City of Hinton
Sewer. Project 20025-676

Dear Mayor Matthews:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the City of Hinton's (the "City") revised preliminary application regarding its proposed project to construct approximately 32,000 LP of sewer line, three pump stations and appurtenances necessary to provide wastewater service .to the Brooks and Barksdale conununities in Summers County (the *"Project")*.

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

Upon consideration of the revised preliminary application, the Infrastructure Council recormnends that the City pursue a $1,212,000 Small Cities Block Grant and a $440,000 Clean Water State Revolving Fund loan to fund this 81,652,000 project. PIease contact the WV Development Office at 558-4010 and the Department of Environmental *Protection Office at* 558-0641 *for* specific information on the steps the City needs to follow to apply for these funds. Please note that this letter does not **constitute funding approval from these agencies.**

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

Sincerely,

Russell L. Isaacs

Enclosure
cc: Mike Johnson, DEP (w/o enclosure)
Debbie Legg, WVDO (who enclosure)
Region I Planning & Development Council
C. Dean Upton, P.E., Stafford Consultants

West Virginia Infrastructure $c Jobs Development Council

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

300 Summers Street, Suite 980
Charleston, Weer Virginia 2530I
Telephone: (304) 558-4607 .
Facsimile (304) 558-4609

Katy Mallory, PE
Executive Secretary

KMallory@ezwv. corn

April 3, 2002

The Honorable Cleo Matthews
Mayor, City of Hinton
P.O. Box 528
Hinton, West Virginia 25951

Re: City of Hinton
Sewer Project 20025-676

Dear Mayor Matthews:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the City of Hinton's (the "City") preliminary application regarding its proposed project to construct sewer line, three pump stations and appurtenances necessary to provide wastewater service to the Brooks and Barksdale communities (the "Project").

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

Upon consideration of the preliminary application, the Infrastructure Council recommends that the City pursue a Small Cities Block Grant of $958,000 and a Clean Water State Revolving Fund Loan of $694,000 to finance this $1,652,000 Project. Please contact the WV Development Office at 558-4010 and the Department of Environmental Protection Office at 558-0641 for specific information on the steps the City needs to follow to apply•for these funds. **Please note that this letter <u>does not</u> constitute funding approval from these agencies.**

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

Sincerely,

Russell L. Isaacs

Enclosure
cc: Mike Johnson, DEP (w/o enclosure)
Debbie Legg, WVDO (w/o enclosure)
Region I Planning & Development Council
C. **Dean** Upton, P.B., Stafford Consultants

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 30th day of March, 2004, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of The City of Hinton (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), of the Issuer, in the principal amount of $490,000, numbered AR-l, issued as a single, fully registered Bond, and dated March 30, 2004 (the "Series 2004 A Bonds").

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

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2004 A Bonds, of the sum of $24,500, being a portion of the principal amount of the Series 2004 A Bonds. The balance of the principal amount of the Series 2004 A Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By :_____
Its: Authorized Representative

THE CITY OF HINTON

By:
Its: Mayor

GRANT PAYMENT REQUISITION FORM

1. **RECIPIENTNENDOR:**

NAME: **City of**Hinton

ADDRESS: **P. O. Box 477**

Hinton, **West Virginia** 25951

PHONE: **(304) 466-3255**

FEIN: **55-6000185**

2. PROJECT C-544352

INVOICE NUMBER: 1

4. **PERIOD COVERED BY** THIS **REQUEST:**
FROM (MO/DAY/YR) TO (MO/DAY/YR)

PERCENTAGE OF PHYSICAL CONSTRUCTION COMPLETION - '.110

CLASSIFICATION	A) APPROVED BUDGET	B) PREVIOUS APPROVED TOTALS	C) THIS REQUEST	D) TOTAL COLUMNS B & C	E) AGENCY USE ONLY
1) CONSTRUCTION	480,500		15 COO	15,000	1 C. c7 v a
2) Electrical Services					
3) TECHNICAL SVC Construction Basic					
Special Services					
Inspection					
4) Facility Plan Design					
5) LEGAL/FISCAL					
6) ADMINISTRATIVE					
7) LOAN REPAYMENT					
8) CONTINGENCY					
9) ACQUISITION					
10) Bond Counsel	9,500	-	9, s DO	**9,500**	·; .S c7
11) CLOSING COST				0	
12) SUBTOTAL	**490,000**		7 `{c 5[0 0	**24,500**	
13) LESS PREVIOUSLY PAID					6)
14) INVOICE AMOUNT			-		, S c

15)
RECIPIENT AUTHORIZED SIGNATURE
DATE: 2 - Z. -4" ,(

Cleo Mathews, Mayor
TYPED OR PRINTED NAME AND TITLE

16) /I.,(11 il K / 1e.[x-~vur
PERSON PARING FORM SIGNATURE
DATE:

Ginger Gibson, Region I PDC
TYPED OR PRINTED NAME AND TITLE

AGENCY USE ONLY:

THIS REQUEST APPROVED BY: WEST VIRGINIA DIVISI ON OF ENVIRONMENTAL PROTECTION

PROJECT REV EWER — DATE (14)g) Y — AUTHORIZED OFFICER — DATE

ACCOUNTING CLASSIFICATION - DEP USE ONLY

ACCOUNTING NUMBER:	AMOUNT APPROVED:

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 30th day of March, 2004, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of The City of Hinton Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), in the principal amount of $490,000, dated March 30, 2004 (the `Bonds"), executed by the Mayor and the Recorder of The City of Hinton (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on September 16, 2003, and a Supplemental Resolution duly adopted by the Issuer on March 16, 2004 (collectively, the "Bond Legislation");

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

(3) Executed counterparts of the bond purchase agreement for the Series 2004 A Bonds, dated March 1, 2004, by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "Loan Agreement"); and

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

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of $24,500, representing a portion of the principal amount of the Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated as of the day and year first written above.

THE CITY OF HINTON

By:
Its: Mayor

03/10/04
414550.00001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 2004 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1 $490,000

KNOW ALL MEN BY THESE PRESENTS: That on this 30th day of March, 2004, THE CITY OF HINTON, a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of FOUR HUNDRED NINETY THOUSAND DOLLARS ($490,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December I of each year, commencing June 1, 2005, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative fee (as defined in the hereinafter describe Bond Legislation) on this Bond shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2005, as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the Authority and the DEP, dated March 1, 2004.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage system

SPECIMEN

of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on September 16, 2003, and a Supplemental Resolution duly adopted by the Issuer on March 16, 2004 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S SEWER REVENUE BOND, SERIES 1990 A, DATED JUNE 14, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $637,262 (THE "SERIES 1990 A BONDS") AND THE ISSUER'S SEWER REVENUE BOND, SERIES 1990 C, DATED JUNE 14, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $668,000 (THE "SERIES 1990 C BONDS"), AND SENIOR AND PRIOR WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S SEWER REVENUE BOND, SERIES 1990 B , DATED JUNE 14, 1990, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $29,738 (THE "SERIES 1990 B BONDS" AND COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds, and senior and prior to the pledge of Net Revenues in favor of the Holders of the Series 1990 B Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2004 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2004 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for

SPECIMEN

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

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

Subject to the registration requirements set forth herein, this Bond, under the 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.

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

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

SPECIMEN

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

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

IN WITNESS WHEREOF, THE CITY OF HINTON has caused this Bond to be signed by its Mayor, and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated the day and year first written above.

[SEAL]

/64

Mayor

ATTEST:

SPECIMEN

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

Date: March 30, 2004.

THE HUNTINGTO ! ~' fNAL BANK,
as Registrar

By:
Its: Auth7 'zed Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$ 24,500	March 30, 2004	(19)	$	
(2)	$		(20)	$	
(3)	$		(21)	$	
(4)	$		(22)	$	
(5)	$		(23)	$	
(6)	$		(24)	$	
(7)	$		(25)	$	
(8)	$		(26)	$	
(9)	$		(27)	$	
(10)	$		(28)	$	
(11)	$		(29)	$	
(12)	$		(30)	$	
(13)	$		(31)	$	
(14)	$		(32)	$	
(15)	$		(33)	$	
(16)	$		(34)	$	
(17)	$		(35)	$	
(18)	$		(36)	$	

TOTAL $

EXHIBIT B

DEBT SERVICE SCHEDULE

City of Hinton

Loan of $490,000

0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date

Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

6/01/2004	-	-	-
9/01/2004	-	-	-
12/01/2004	-	-	-
3I0112005	-	-	-
6/01/2005	3,141.03	-	3,141.03
9/01/2005	3,141.03	-	3,141.03
12101/2005	3,141.03	-	3,141.03
3/01/2006	3,141.03	-	3,141.03
6/01/2006	3,141.03	-	3,141.03
9/01/2006	3,14t03	-	3,141.03
12/01/2006	3,141.03	-	3,141.03
3/01/2007	3,141.03	-	3,141.03
6/01/2007	3,141.03	-	3,141.03
9/01/2007	3,141.03	-	3,141.03
12/01/2007	3,141.03	-	3,141.03
3/01/2008	3,141.03	-	3,141.03
6/01/2008	3,141.03	-	3,141.03
9/0112008	3,141.03	-	3,141.03
12/01/2008	3,141.03	-	3,141.03
3/01/2009	3,141.03	-	3,141.03
6/01/2009	3,141.03		3,141.03
9/01/2009	3,141.03	-	3,141.03
12/01/2009	3,141.03	-	3,141.03
3/01/2010	3,141.03	-	3,141.03
6/01/2010	3,141.03	-	3,141.03
9/01/2010	3,141.03	-	3,141.03
12/01/2010	3,141.03	-	3,141.03
3101/2011	3,141.03	-	3,141.03
6/01/2011	3,141.03	-	3,141.03
9/0112011	3,141.03	-	3,141.03
12/01/2011	3,141.03	-	3,141.03
3/01/2012	3,141.03	-	3,141.03
6/01/2012	3,141.03	-	3,141.03
9/01/2012	3,141.03	-	3,141.03
12/01/2012	3,141.03	-	3,141.03
3/01/2013	3,141.03	-	3,141.03
6/01/2013	3,141.03	-	3,141.03
9/01/2013	3,141.03	-	3,141.03
12/01/2013	3,141.03	-	3,141.03
3/01/2014	3,141.03	-	3,141.03
6/01/2014	3,141.03	-	3,141.03
9/01/2014	3,141.03	-	3,141.03
12/0112014	3,141.03	-	3,141.03
3/01/2015	3,141.03	-	3,141.03
6/01/2015	3,141.03	-	3,141.03
9/01/2015	3,141.03	-	3,141.03
12/01/2015	3,141.03	-	3,141.03

City of Hinton

Loan of $490,000
0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date
Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

3101/2016	3,141.03	-	3,141.03
6/01/2016	3,141.03	-	3,141.03
9/01/2016	3,141.03	-	3,141.03
12/01/2016	3,141.03	-	3,141.03
3/01/2017	3,141.03	-	3,141.03
6/01/2017	3,141.03	-	3,141.03
9/01/2017	3,141.03	-	3,141.03
12/01/2017	3,141.03	-	3,141.03
3/01/2018	3,141.03	-	3,141.03
6/01/2018	3,141.03	-	3,141.03
9101/2018	3,141.03	-	3,141.03
12/01/2018	3,141.03	-	3,141.03
3/01/2019	3,141.03	-	3,141.03
6/01/2019	3,141.03	-	3,141.03
9/01/2019	3,141.03	-	3,141.03
12/01/2019	3,141.03	-	3,141.03
3/01/2020	3,141.03	-	3,141.03
6/01/2020	3,141.03	-	3,141.03
9/01/2020	3,141.03	-	3,141.03
12/01/2020	3,141.03	-	3,141.03
3/01/2021	3,141.03	-	3,141.03
6/01/2021	3,141.03	-	3,141.03
9/01/2021	3,141.03	-	3,141.03
12/01/2021	3,141.03	-	3,141.03
3/01/2022	3,141.03	-	3,141.03
6/01/2022	3,141.03	-	3,141.03
9/01/2022	3,141.03	-	3,141.03
12/01/2022	3,141.03	-	3,141.03
3/01/2023	3,141.03	-	3,141.03
6101 /2023	3,141.03	-	3,141.03
9101 /2023	3,141.03	-	3,141.03
12/0112023	3,141.03	-	3,141.03
3101/2024	3,141.03	-	3,141.03
6/01/2024	3,141.03	-	3,141.03
9/01/2024	3,141.03	-	3,141.03
12/01/2024	3,141.03	-	3,141.03
3/01/2025	3,141.03	-	3,141.03
6/01/2025	3,141.03	-	3,141.03
9/01/2025	3,141.03	-	3,141.03
12/01/2025	3,141.03	-	3,141.03
3/01/2026	3,141.03	-	3,141.03
6/01/2026	3,141.03	-	3,141.03
9/01/2026	3,141.03	-	3,141.03
12/01/2026	3,141.03	-	3,141.03
3/01/2027	3,141.03	-	3,141.03
6/01/2027	3,141.02	-	3,141.02
9/01/2027	3,141.02	-	3,141.02

City of Hinton

Loan of $490,000
0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date
Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

12/01/2027	3,141.02	-	3,141.02
3/01/2028	3,141.02	-	3,141.02
6101 /2028	3,141.02	-	3,141.02
9/01/2028	3,141.02	-	3,141.02
12/01/2028	3,141.02	-	3,141.02
3/01/2029	3,141.02	-	3,141.02
6/01/2029	3,141.02	-	3,141.02
9/01/2029	3,141.02	-	3,141.02
12/01/2029	3,141.02	-	3,141.02
3/01/2030	3,141.02	-	3,141.02
6/01/2030	3,141.02	-	3,141.02
9101 /2030	3,141.02	-	3,141.02
12/01/2030	3,141.02	-	3,141.02
3/01/2031	3,141.02	-	3,141.02
6/01/2031	3,141.02	-	3,141.02
9/01/2031	3,141.02	-	3,141.02
12/01/2031	3,141.02	-	3,141.02
3/01/2032	3,141.02	-	3,141.02
6/01/2032	3,141.02	-	3,141.02
9/01/2032	3,141.02	-	3,141.02
12/01/2032	3,141.02	-	3,141.02
3/01/2033	3,141.02	-	3,141.02
6/01/2033	3,141.02	-	3,141.02
9/01/2033	3,141.02	-	3,141.02
12/01/2033	3,141.02	-	3,141.02
3/01/2034	3,141.02	-	3,141.02
6/01/2034	3,141.02	-	3,141.02
9/01/2034	3,141.02	-	3,141.02
12/01/2034	3,141.02	-	3,141.02
3101 /2035	3,141.02	-	3,141.02
6101/2035	3,141.02	-	3,141.02
9/01/2035	3,141.02	-	3,141.02
12/01/2035	3,141.02	-	3,141.02
3/01/2036	3,141.02	-	3,141.02
6/01/2036	3,141.02	-	3,141.02
9/01/2036	3,141.02	-	3,141.02
12/01/2036	3,141.02	-	3,141.02
3/01/2037	3,141.02	-	3,141.02
6/01/2037	3,141.02	-	3,141.02
9/01/2037	3,141.02	-	3,141.02
12/01/2037	3,141.02	-	3,141.02
3/01/2038	3,141.02	-	3,141.02
6/01/2038	3,141.02	-	3,141.02
9/01/2038	3,141.02	-	3,141.02
12/01/2038	3,141, 02	-	3,141.02
3/01/2039	3,141.02	-	3,141.02
6/01/2039	3,141.02	-	3,141.02

City of Hinton

Loan of $490,000
0% Interest Rate, 0.5% Administrative Fee, 40 Years from Closing Date
Closing Date: March 30, 2004

DEBT SERVICE SCHEDULE

9101 **/2039**	3,141,02	-	3,141.02
12/01/2039	3,141.02	-	3,141.02
3/01/2040	3,141.02	-	3,141.02
6/01/2040	3,141.02	-	3,141.02
9/01/2040	**3,141.02**	**-**	3,141.02
12/01/2040	**3,141.02**	**-**	3,141.02
3/01/2041	3,141.02	-	3,141.02
6/01/2041	3,141.02	-	3,141.02
9/01/2041	3,141.02	-	3,141.02
12/01/2041	3,141.02	-	3,141.02
3/01/2042	3,141.02	-	3,141.02
6/01/2042	3,141.02	-	3,141.02
9/01/2042	3,141.02	-	3,141.02
12/01/2042	3,141.02	-	3,141.02
3/01/2043	3,141.02	-	3,141.02
6/01/2043	3,141.02	-	3,141.02
9/01/2043	3,141.02	-	3,141.02
12/01/2043	3,141.02	-	3,141.02
3/01/2044	3,141.02	-	3,141.02
Total	**490,000.00**	**-**	**490,000.00**

***Plus $308.22 one-half Percent administrative fee paid quarterly. Total fee over life of loan is $48,082.32.**

YIELD STATISTICS

Bond Year Dollars	$10,066.77
Average Life	**20.544 Years**
Average Coupon	
Net Interest Cost (NIC)	
True Interest Cost (TIC)	1.10E-10
Bond Yield for Arbitrage Purposes	1.10E-10
All Inclusive Cost (A I C)	0.4765211%
IRS **FORM 8038** Net Interest Cost	
Weighted Average Maturity	**20.544 Years**

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:

_____

03/11/04
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STEPTOE & JOHNSON
ATTORNEYS AT LAW
Clarksbutg Charieataa Morgantown Martinsburg Wheeling Parkersburg

Bank One Center, Seventh Floor
P.O. Box 1588
Charleston, WV 253264588
(304) 353-8000 (304) 353-8180 Fax
www.steptoelaw.com

Writer's Contact Information

March 30, 2004

The City of Hinton
Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

The City of Hinton
Hinton, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by The City of Hinton (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its $490,000 Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a bond purchase agreement, dated March 1, 2004, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June, 1, 2005, and maturing March 1, 2044, all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Bonds. The Bonds are subject to the SRF Administrative Fee equal to 0.5% of the principal amount of the Bonds as set forth in the Schedule Y attached to the Bond Purchase Agreement.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

TERRALEX
Member of the Worldwide Network of Independent Law Finns'

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on September 16, 2003, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 16, 2004 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

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

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

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Sewer Revenue Bond, Series 1990 A, dated June 14, 1990, issued in the original aggregate principal amount of $637,262, and Sewer Revenue Bond, Series 1990 C, dated June 14, 1990, issued in the original aggregate principal amount of $668,000, and senior and prior with respect to liens, pledge and source of and security for payment with the Issuer's Sewer Revenue Bond, Series 1990 B, dated June 14, 1990, issued in the original aggregate principal amount of $29,738, all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

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

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

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

Very truly yours,

STEPTOE & JOHNSON PLLC

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ZIEGLER & GUNNOE, L.C.
ATTORNEYS AT LAw
110 JAMES STREET
HLNTON, WV **25951**
ZIEGLERANDG UNNOEQCHARTERBN•COiM

DAVID L. ZIEGLER
RICHARD 1t. GUNNOE

SHERRI R. FREEMAN

TELEPHONE (304) 466-1224
TELEPHONE (304) 772-3055
TELEFAX (3114) **460˙4294**

March 30, 2004

The City of Hinton
Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

The City of Hinton
320 Summers Street
Hinton, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I am counsel to The City of Hinton in Summers County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a bond purchase agreement for the Bonds, dated March 1, 2004, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), a Bond Ordinance duly enacted by the Issuer on September 16, 2003, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 16, 2004 (collectively, the "Bond Legislation"), a Petition of the Sanitary Board duly adopted on July 18, 2003, and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

I am of the opinion that:

i) The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia, and the Mayor, Recorder and members of the

Council of the Issuer and the Sanitary Board have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer in their respective capacities. The Sanitary Board has been duly created by the Issuer and is validly existing as a sanitary board under the Act.

ii) The Bond Purchase Agreement has been duly authorized, executed and delivered by the issuer and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding agreement of the Issuer., enforceable in accordance with its trans.

iii) The Bond Legislation has been duly adopted and enacted by the Issuer and is in full force and effect,

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

v) The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Final Order entered on October 14, 2003, and Commission Order entered *on March 26th, 2004, in Case No. 03-0900-S-CN,* among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Commission Order has not expired prior to the date hereof. However, the Issuer has certified that it does not intend to appeal such Order and the other parties to such *Order* have stated that they do not intend to appeal such Order. Both orders remain in full force and effect

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use **of** the System, including, without limitation, the receipt of all requisite orders and approvals from the West Virginia Department of Environmental Protection, the West Virginia Infrastructure and Jobs Development Council and the Public *Service* Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges.

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

8. The successful bidder has made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon my review of the contracts, the surety bonds and the policies or other evidence of insurance *coverage* in connection with the Project, I am of the opinion that such surety bonds and policies (1) arc in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives *of the* proper

parties; (4) meet the requirements of the Act, the Bond Legislation and the Bond Purchase Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof

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

Very truly yours,

David L Ziegler

AUdz 4 March 25, 2004
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ZIEGLER & GUNNOE, L .C.
ATTORNEYS AT LAW
110 JAMES STREET
HINTON, WV 25951
E-MAIL: ZiEGLERAIVDGUNNOE@CUARFER.BN.COM

DAVID L. ZIEGLER
RICHARD M. GUNNOE

SHERR1 R. FREEMAN

TELEPHONE (304) 466-1224
TELEPHONE (304) 77Z-3085
TELEFAX (304) 466-4234

March 30, 2004

City of Hinton
320 Summers Street
Hinton, WV 2595 1

West Virginia Department of Environmental Protection
1560 Kanawha Boulevard, East
Charleston, WV 25301

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

Steptoe & Johnson PLLC
P.O. Box 1588
Charleston, WV 25326

Re: Final Title Opinion for City of Hinton

Ladies and Gentlemen:

We are counsel to the City of Hinton (the "Issuer") in connection with a proposed project to construct a sewer line extension across the New River to the Brooklin areas of Summers and Raleigh Counties *(the* "Project"). We provide this final title opinion on behalf *of* the Issuer to satisfy the requirements *of* the West Virginia Department *of* Environmental Protection *(the* "DEP") for the Project_ Please be advised of the following:

1_ We are of the opinion that the Issuer is a duly created and validly existing municipality possessed with all the powers and authority granted to municipalities under the laws of the State of West Virginia to construct, operate and maintain the Project as approved by the .DEP.

The Issuer has obtained all necessary permits and approvals for the construction of the Project.

3. We have investigated and ascertained the location of, and are familiar with the legal. description of, the necessary sites, including easements and/or rights of way, required for *the* Project *as* sct forth in the plans fox- the Project prepared by Stafford Consultants, Inc., the consulting engineers for the Project.

4. We have examined the records on file in the Office of the Clerks of the County

Commission of Summers and Raleigh Counties, West Virginia, the counties in which the *Project* is to be located, and, in our opinion, the Issuer has acquired legal title or such other estate or interest in all of the necessary site components for the Project, including all easements andlor rights of way, sufficient to assure undisturbed use and possession *for* the purpose of construction, operation and maintenance for the estimated Iife of the Project

5. All deeds, easements and rights of way which have been acquired to date by the Issuer have been duly recorded in fhe Office of the Clerks of the County Commissions of Summers and Raleigh Counties to protect the legal title to and interest of the Issuer.

Sincerely,

David L. Ziegler

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Final Tide Opinion Ur.

C H4:35790.1

Received Time Mar.18. 10'1QAM

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned MAYOR and RECORDER of The City of Hinton in Summers County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the ISSUER, hereby certify in connection with the Issuer's Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), dated the date hereof (the "Bonds" or the "Series 2004 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted September 16, 2003, and the Supplemental Resolution duly adopted March 16, 2004 (collectively, the "Bond Legislation").

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

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

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

There are outstanding obligations of the Issuer which will rank either on a parity with or junior and subordinate to the Series 2004 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's Sewer Revenue Bond, Series 1990 A (the "Series 1990 A Bonds"), dated June 14, 1990, issued in the original aggregate principal amount of $637,262, the Sewer Revenue Bond, Series 1990 B (the "Series 1990 B Bonds"), dated June 14, 1990, issued in the original aggregate principal amount of $29,738 and the Sewer Revenue Bond, Series 1990 C (the "Series 1990 C Bonds"), dated June 14, 1990, issued in the original aggregate principal amount of $668,000 (collectively, the "Prior Bonds").

The Series 2004 A Bonds shall be issued on a parity with the Series 1990 A Bonds and the Series 1990 C Bonds and senior and prior to the Series 1990 B Bonds with respect to liens, pledge and source of and security for payment and in all other respects. The Issuer has obtained (i) the certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Series 1990 A Bonds and the Series 1990 C Bonds are met; (ii) the written consent of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds to the issuance of the Series 2004 A Bonds on a parity with the Series 1990 A Bonds and the Series 1990 C Bonds, and (iii) the written consent of the Holder of the Series 1990 B Bonds to the issuance of the Series 2004 A Bonds on a senior and prior basis to the Series 1990 B Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with the terms and provisions of the Prior Ordinances and no default exists with respect to the Prior Bonds.

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

Bond Ordinance

Supplemental Resolution

Bond Purchase Agreement

Public Service Commission Orders

Infrastructure and Jobs Development Council Approval

Charter and Rules of Procedure

Oaths of Office of Officers and Councilmembers

Ordinance Creating Sanitary Board and Oaths of Members

Petition of Sanitary Board

Sewer Rate Ordinance

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

Minutes on Adoption and Enactment of Sewer Rate Ordinance

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

Minutes on Adoption and Enactment of Bond Ordinance and Adoption of Rules of Procedure and the Supplemental Resolution

NPDES Permit

Series 1990 A, Series 1990 B, and Series 1990 C Bond Ordinance and Supplemental Resolution

Consent of West Virginia Water Development Authority

Consent of United States Department of Agriculture

Evidence of Insurance

Evidence of West Virginia Department of Environmental Protection Grant

Evidence of Governor's Partnership Grant

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "The City of Hinton." The Issuer is a municipal corporation in Summers County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its council, consisting of a Mayor and 4 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name			Date of Commencement of Office	Date of Termination of Office
Cleo P. Mathews	-	Mayor	April 31, 2001	May 1, 2005
Larry Meador		Councilmember	April 31, 2001	May 1, 2005
Bobby Wheeler	-	Councilmember	April 31, 2001	May 1, 2005
James "Pat" Jordan		Councilmember	April 31, 2001	May 1, 2005
Alan Stone	-	Councilmember	April 31, 2001	May I, 2005

The names of the duly appointed, qualified and acting members of the Sanitary Board of the Issuer are as follows:

Chairman	-	Cleo P. Mathews
Member		Betty Jo Basham
Member	-	Robert L. Long, P.E.

The duly appointed and acting Recorder of the Issuer is Cris Meadows. The duly appointed and acting Counsel to the Issuer is Ziegler & Gunnoe, in Hinton, West Virginia.

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

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

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

10. BOND PURCHASE AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Bond Purchase Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Bond Purchase Agreement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not

misleading; (iii) to the best knowledge of the undersigned, no event affecting the Issuer has occurred since the date of the Bond Purchase Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Bond Purchase Agreement not misleading; and (iv) the Issuer is in compliance with the Bond Purchase Agreement.

11. RATES: The Issuer has duly enacted a sewer rate ordinance on November 17, 1998, setting rates and charges for the services of the System. The time for appeal of such sewer rate ordinance has expired prior to the date hereof without any appeal, and such rates are currently effective.

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

13. BOND PROCEEDS: On the date hereof, the Issuer received $24,500 from the Authority and the DEP, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in *The Hinton News,* a qualified newspaper published and of general circulation in The City of Hinton, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 16th day of September, 2003, at 7:00 p.m., at the City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

15. PUBLIC SERVICE COMMISSION ORDERS: The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Final Order entered on October 14, 2003, and Commission Order entered on March , 2004, in Case No. 03-0900-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order has expired prior to the date hereof without any appeal. The time for appeal of the Commission Order has not expired prior to the date hereof. The Issuer hereby certifies that it does not intend to appeal such Order. Such Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to such Order. Both orders remain in full force and effect.

16. SPECIMEN BOND: Delivered concurrently herewith is a true and accurate specimen of the Bond.

17. CONFLICT OF INTEREST: No member, officer or employee of the Issuer or the Sanitary Board has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

18. GRANTS: As of the date hereof, the West Virginia Department of Environmental Protection Grant in the amount of $920,000 and the Governor's Partnership Grant in the amount of $13,000 are in full force and effect.

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

20. CLEAN WATER ACT: The Project as described in the Bond Ordinance complies with Sections 208 and 303(e) of the Clean Water Act.

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

WITNESS our signatures and the official seal of THE CITY OF HINTON on this 30th day of March, 2004.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Mayor
_____	Recorder
_____	Counsel to the Issuer

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STAFFORD
CONSULTANTS
INCORPORATED

Engineering, Design, and Consulting
Planning and Environmental Services

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

CERTIFICATE OF ENGINEER

We, C. Dean Upton, Registered Professional Engineer, West Virginia License No. 7829, and Jack D. Stafford, Registered Professional Engineer, West Virginia License No. 6753 of Stafford Consultants, Incorporated, Princeton, West Virginia, hereby certify as follows:

1. Our firm is engineer for the acquisition and construction of certain extensions, additions, betterments and improvements (the "Project") to the existing public sewerage system (the "System") of the City of Hinton (the "Issuer") to be constructed in Summers and Raleigh Counties, West Virginia, which acquisition and construction are being permanently financed in part, by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance enacted by the Issuer on September 16, 2003, as supplemented, and the Bond Purchase Agreement, by and among the Issuer, the West Virginia Department of Environmental Protection ("DEP") and the West Virginia Water Development Authority (the "Authority"), dated March 1, 2004 (the "BPA").

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

3. To the best of our knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of fmancing set forth in the Schedule B, attached hereto as Exhibit A and the Issuer's counsel, David L. Ziegler, Esquire, has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating

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Telephone (304) 425-9555 • Fax (304) 425-9557

to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain the critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained the following permits required for the acquisition and construction of the Project and the operation of the system; a) National Pollutant Discharge Elimination System (NPDES) permit, b) West Virginia Division of Highways permit, c) West Virginia Department of Environmental Protection Construction General Permit Registration No. WVR 100131, d) West Virginia Public Land Corporation license agreement, e) U.S. Army Corps of Engineers authorization under Nationwide Permit #12, 1) CSX license agreement for construction on CSX property, and g) West Virginia Department of Environmental Protection approval of Contract Documents; (ix) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefore, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and x) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

WITNESS our signatures and seals on this 30" day of March 2004.

STAFFORD CONSULTANTS, INCORPORATED

[SEAL]

C. Dean Uptol P.E.
West Virginia License No. 7829

[SEAL]

Jack D. Stafford, P.E.
West Virginia License No. 6753

Attachments

SCHEDULE B

CITY OF HINTON

By-Pass Sewer Project (Brooklin)

FINAL TOTAL COST OF PROJECT, SOURCES OF FUNDS, AND COST OF FINANCING

A. Cost of Project	Total	Governor Part.	DEP GRANT	DEP LOAN
1.Construction	$1,049,569.00		$569,069.00	$480,500.00
2.Technical Services	$202,092.00	$13,000.00	$189,092.00	
3. Legal & Fiscal	$15,000.00		$15,000.00	
4. Administrative	$46,500.00		$46,500.00	
5. Sites & Other Lands	$20,000.00		$20,000.00	
8. Permits	$27,861.00		$27,861.00	
7. Interim Financing Costs (Plus interest)	$0.00			
8. Contingency	$52,478.00		$52,478.00	
9. Total of Lines 1 through 8	$1,400,500.00	$13,000.00	$920,000.00	$480,500.00
B. Sources of Fund				
10. Federal Grants:				
a. SCBG				
II. State Grants:				
a. (Fine Money)	$920,000.00			
12. Other Grants:	$13,000.00			
13. Any Other Source:				
a. State Revolving Loan Fund				
b. Local				
14. infrastructure Fund Grant				
15. Total of Lines 10 through 14	$933,000.00			
16. Net Proceeds Required from Bond	$480,500.00			
Issue (Line 9 minus Line 15)				
C. Cost of Financing				
17. Funded Reserve Account				
18. Other Costs Bond Counsel	$9,500.00			$9,500.00
a. Refinancing SRF				
19. Total Cost of Financing				
(Lines 17 and 18)				
20. Size of IJDC Bond Issue				
TOTAL FUNDING	$1,423,000.00	$13,000.00	$920,000.00 I	$490,000.00

City of Hinton

CONSULTING ENGINEER

DATE y6 -6 w

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Jeffrey S. Feamster, CPA

Jeffrey S. Feamster
Certified Public Accountant
P.O. Box 121
Lewisburg, West Virginia 24901

Phone: (304) 647-5980
Fax: (801) 640-8611
Cellular: (304) 667-5990
Email: Jeff@mcswv.com

March 30, 2004

City of Hinton
Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

The City of Hinton
Hinton, West Virginia

West Virginia Water Development
Authority
Charleston, West Virginia

West Virginia Department of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the sewer rate ordinance of The City of Hinton (the "Issuer"), enacted November 17, 1998, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Stafford Consultants Incorporated, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of the Issuer (the "System"), will pay all reasonable expenses of operation and maintenance of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program) (the "Bonds"), to be issued in the original aggregate principal amount of $490,000 to the West Virginia Water Development Authority on the date hereof, and all other obligations secured by or payable from the revenues of the System, on a parity with or junior to the Bonds, including the Issuer's Sewer Revenue Bonds, Series 1990 A, Sewer Revenue Bonds, Series 1990 B, and Sewer Revenue Bonds, Series 1990 C (collectively, the "Prior Bonds").

It is our further opinion that (I) the Net Revenues for the Fiscal Year following the year in which the Bonds are issued will not be less than 120% of the average annual debt service on the Bonds, including the Prior Bonds and that (ii) the Net Revenues actually derived from the System during any 12 consecutive months within the 18 months immediately preceding the date of the actual issuance of the Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by the Bonds, will not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for principal of and interest on the Bonds and the Prior Bonds.

Very truly yours,

Jeffrey S. Feamster, CPA

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Mayor of The City of Hinton in Summers County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of $490,000 Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), of the Issuer, dated March 30, 2004 (the "Bonds" or the "Series 2004 A Bonds"), on this 30th day of March, 2004, hereby certifies as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance duly enacted by the Issuer on September 16, 2003, as supplemented (the "Bond Ordinance"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on March 30, 2004, the date on which the Bonds are being physically delivered in exchange for an initial advance of $24,500, being a portion of the principal amount of the Series 2004 A Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority"), the West Virginia Department of Environmental Protection (the "DEP") or the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2004 A Bonds were sold on March 30, 2004, to the Authority, pursuant to a Bond Purchase Agreement dated March 1, 2004, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of $490,000 (100% of par), at which time, the Issuer received $24,500 from the Authority and the DEP, being the first advance of the principal amount of the Series 2004 A Bonds. No accrued interest has been or will be paid on the Series 2004 A Bonds. The balance of the principal amount of the Series 2004 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2004 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project") and (ii) paying certain costs of issuance of the Bonds and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5 % of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2004 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before June 1, 2005. The acquisition and construction of the Project is expected to be completed by March 1, 2005.

8. The total cost of the Project is estimated at $1,423,000. Sources and uses of funds for the Project are as follows:

SOURCES	
Governor's Partnership Grant	$ 13,000
WV Department of Environmental Protection Grant	$ 920,000
Proceeds of the Series 2004 A Bonds	$ 490,000
Total Sources	$1,423,000

USES

Costs of Acquisition and Construction of the Project	$1,413,500
Costs of Issuance	$ 9,500
Total Uses	$1,423,000

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

(1) Revenue Fund;

(2) Operation and Maintenance Fund;

(3) Renewal and Replacement Fund;

(4) Series 2004 A Bonds Construction Trust Fund;

(5) Series 2004 A Bonds Sinking Fund; and

(6) Series 2004 A Bonds Reserve Account.

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

(1) Series 2004 A Bonds proceeds in the amount of $-0- will be deposited in the Series 2004 A Bonds Sinking Fund to cover capitalized interest.

(2) Series 2004 A Bonds proceeds in the amount of $-0- will be deposited in the Series 2004 A Bonds Reserve Account.

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

11. Monies held in the Series 2004 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2004 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the

Series 2004 A Bonds Sinking Fund and Series 2004 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2004 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

12. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 12 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2004 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 15 months from the date of issuance thereof.

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

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

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

18. No proceeds of the Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

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

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

21. The Bonds are not federally guaranteed.

22. The Issuer has retained the right to amend the Bond Ordinance authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain public purpose bonds.

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

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

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

26. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

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

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

THE CITY OF HINTON

By: ./~tirt~
Its: Mayor

03/11/04
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PART I

The Charter of the City of Hinton

As contained in Chapter one of the Municipal Charter Volume of the Acts of one thousand nine hundred and twenty-seven of the Legislature of West Virginia as amended by Chapter one hundred and thirty-one of the Acts of one thousand nine hundred and thirty-five of the Legislature of West Virginia.'

1. City incorporated; name; powers.
2. Corporate limits.

§ 3. Wards.

First Ward..
Second Ward.
Third Ward.
Fourth Ward.
Fifth Ward.
Sixth Ward.
Seventh Ward.
Eighth Ward.

§ 4. Governing body.
§ 5. Exercise of corporate powers.
§ 6. Council to appoint and fix salaries, powers and duties of subordinate officers; not to appoint member of council.
§ 7. Terms of elective officers; terms and bonds of appointive officers.
8. Qualifications for office; removal after hearing.
§ 9. Executive committees of political parties.
§ 9 (a). Form of announcement of candidacy for mayor or council.
§ 9 (b). Nominations to be made by primary; how primary conducted; declaration of result.
§ 9 (c). General city election, how conducted and returned; certificate of election.
§ 9 (d). How primary and general elections conducted in 1935.
§ 9 (e). City election in June, 1935.
§ 9 (f). Registration of voters.

' All amendments to the Charter are indicated by historical citations following the amended sections. Unless so indicated, the section derives unchanged from chapter one of the Municipal Charter Volume of the Acts of 1927 of the Legislature of West Virginia.

9 (g). Voting precincts.
10. Qualifications of voters.
11. Method of voting.
11 (a). Election contests.
12. Registration of voters; fee of registrars; duties of registrars and council; when registration made by county court may be adopted by city, after correction by council.
13. Oath of elective and appointive officers.
14. Official bonds.
15. Bonds to be payable to city or state; proceedings against obligators.
16. Salaries of elective and appointive officers.
17. Action by council upon election of ineligible person or failure of person elected to qualify.
18. Council to fill vacancies in office.
19. Removal of elective officers for cause; removal of appointive officers with or without cause.
20. Time and place of meeting of council; compelling attendance of members; meeting open to public.
21. Mayor and three members constitute quorum of council.
22. Presiding officer to have one vote; when majority of all members elected required.
23. Selection of president of council; duties and powers.
24. Corporate powers.
(1) Survey.
(2) Opening, maintenance, etc., of streets, squares, and sewers, etc.; special assessment therefor.
(3) Regulation of use of streets; obstructions, pollution, litter.
(4) Bridges.
(5) Street names and premise numbers.
(6) Regulation of width of streets.
(7) Curbing, paving and repair of sidewalks; duty to clean sidewalks.
(8) Abuse **of animals.**
(9) Vagrants, beggars, prostitutes, etc.
(10) Bringing person or animal infected with contagious disease into the city.
(11) Houses of ill-fame and gaming houses; gambling.
(12) Slaughterhouses and other offensive establishments.
(13) Entrance into and examination of premises.
(14) Walls, fences, fireplaces, smokestacks and stovepipea.
(15) Construction, inspection and repair of buildings, bridges, sewers, etc.
(16) Removal or repair of dangerous walls or structures.
(17) Erection of buildings.

C

(18) Building regulations.
(19) Projections.
(20) Fire limits; regulations as to fire.
(21) Fire escapes.
(22) Opening and construction of ditches, drains, sewers, cesspools and gutters.
(23) Fire and police atationa, police courts, jails and incinerators, etc.
(24) *Public grounds, markets, hospitals, libraries, educational and charitable institutions and other city* buildings.
(25) Eminent domain.
(26) Purchase and sale, etc.. of public buildings and real estate.
(27) Removal of unsafe walls and structures; excavations.
(28) Prevention of nuisances.
(29) Abatement of nuisances.
(30) Gunpowder, combustible •and dangerous articles.
(31) *Explosives, firecrackers, fireworks; dangerous or* annoy- *ing noises or performances.*
(32) Cemeteries and burial.
(33) Trees, shrubs, etc.
(34) Provision for poor.
(35) Traffic regulations.
(36) Prize fighting; cock fighting and dog fighting.
(37) License taxes.
(38) Fire department and apparatus; regulations as to danger from the elements, of plumbing and wiring, airships and wireless stations, etc.
(39) Tax levies.
(40) Licensing and regulation of animals and fowl; impounding.
(41) Revenue and appropriations.
(42) Rules for transacting business.
(43) General welfare; protection of persons and property.
(44) Weights; signs, billboards, etc.
(45) Licenses for carrying on business.
(46) Markets.
(47) Signs, billboards, etc.
(48) Preservation of safety and health; drugs.
(49) Weapons.
(50) Drunkenness.
(51) Gambling.
(52) Preservation of morals and decency.
(53) Observance of Sunday.
(54) Profanity.
(55) Intoxicants.

(56) City elections.
(57) Gas, electric light or waterworks.
(58) Purety of food and drink.
(59) Inspection of dairies and slaughterhouses.
(60) Articles deemed unwholesome,
(61) Public processions.
(62) Ordinances and rules for protecting health, property, morality, etc.
(63) Divine worship.
(64) Punishment for violation of ordinance.
(65) Employment of those committed in default of payment of fine.
(66) Attendance at public meetings of council members.
(67) Rights, privileges and powers under Code of West Virginia.
(68) Territorial jurisdiction.
(69) Franchises.
(70) For-hire vehicles.
(71) Public markets,
(72) Adoption and enforcement of ordinances, etc.; imposition of fines and penalties.
(73) Waterworks.
(74) Electric light plant.
(75) Poolrooms, ping-pong boards and vending machines.

25. Powers and duties of the mayor.
26. City manager. (Repealed by Acts, 1935, ch. 131.)
27. Powers and duties of police officers.
28. Powers and duties of city attorney.
29. Board of health.
30. Nuisances.
31. Taxation.
32. Liens; delinquent taxes.
33. Licenses.
34. Condemnation.
35. Deposit and disbursement of funds.
36. Audit.
37. Grading, construction, maintenance and repair of sidewalks, drains, gutters and streets without petition of owners of abutting property.
§ 38. Construction, repair and maintenance of local improvements upon petition of owners.
§ 39. Bond issues.
§ 40. Indebtedness prohibited.

§ 41. Duty of city to maintain streets and roads; relief from district road levies.
§ 42. Franchises.
§ 43. Codification of ordinances.
44. City of Hinton as successor to cities of Hinton and Avis, previously incorporated.
45. Effect of Charter upon ordinances of cities of Hinton and Avis.
§ 46. Number and gender of nouns and pronouns.
§ 47. Style of ordinance.
§ 48. Merger of cities of Hinton and Avis.
§ 49. Repeal of inconsistent acts.

An Act to amend and re-enact chapter one hundred and four of the Acts of one thousand eight hundred and ninety-seven, as amended by chapter one hundred and twenty-one of the Acts of one thousand nine hundred and one, and as further amended and re-enacted by chapter fifteen of the Municipal Charter Volume of the Acts of one thousand nine hundred and fifteen of the Legislature of West Virginia, relating to the charter of the City of Hinton, and to change the boundary lines of the said City of Hinton so as to include all of the territory formerly embraced in the City of Hinton, all of the territory formerly embraced in the City of Avis, all of the village locally known as Bellepoint, and certain additions and other territory adjoining the village of Bellepoint and the City of Hinton; to change the form of government and provide a new charter for the City of Hinton, and to repeal all acts and parts of acts inconsistent with the provisions of this act.

Be it enacted by the Legislature of West Virginia:

That chapter one hundred and four of the Acts of one thousand eight hundred and ninety-seven, as amended by chapter one hundred and twenty-one of the Acts of one thousand nine hundred and one, and as amended and re-enacted by chapter fifteen of the Municipal Charter Volume of the Acts of one thousand nine hundred and fifteen of the legislature of West Virginia, relating to the charter of the City of Hinton, be amended and re-enacted so as to read as follows :

Sec. 1. City incorporated; name; powers.

That the inhabitants of so much of the county of Summers, in the state of West Virginia, included in the boundaries described in section two of this act, be and they are hereby created and are to remain and continue a municipal corporation by the name of "The City of Hinton," by which name they shall have perpetual succession and a common seal, and by which name they may sue and be sued, plead and be impleaded, contract and be contracted with, purchase and otherwise acquire and hold real estate and personal property needed in the discharge of the functions of government conferred by this charter.

Sec. 2. Corporate limits.

The corporate limits of the said City of Hinton shall be.as follows, that is to say:

Beginning at a stone post, a corner of the present corporate lines of the cities of Hinton and Avis, said stone post marked "C. & O." ; thence leaving said stone post running in a straight line in a north-easterly direction, approximately four thousand and seven hundred feet to a point in Grimmett's or Briers' branch, which point is two thousand and seven hundred feet from the mouth of said branch ; thence in a straight line in a north-easterly direction crossing Tug creek at a point one thousand feet from the mouth of said creek, and extending beyond Tug creek in the same direction up the hill to a ledge of Brownstone cliffs; thence with the face of said cliffs in a northerly direction to a point on the crest of the first ridge below said Tug creek; thence down said crest of said ridge in a north-westerly direction crossing the county road and Chesapeake & Ohio railroad to New River at a point three hundred feet below the mouth of Tug creek; thence crosing New River the same course to a point in the Raleigh county line in said river, thence up New River with the Raleigh county line to the corner of Raleigh county at the mouth of Madam's creek; thence continuing up said New River with the normal low

water mark on the westerly bank and the meanders of said river to a point opposite the south line of L. L. Pack; thence at right angles in an easterly direction, crossing New River, to the south-westerly corner of the L. L. Pack property on an island; thence with the southerly line of the said L. L. Pack property, being the division line between L. L. Pack and the Virginian Power company Iand, in an easterly direction, in= cluding the L. L. Pack property to a common corner of L. L. Pack, Bertie Myers' heirs, and George W. Wiseman on the hill; thence in a northerly direction with the division line between George W. Wiseman and the Bertie Myers' heirs, to the county road; thence in a straight line to the Bellepoint Water Works company's reservoir, including said reservoir; thence in a straight line to a point on the Big branch, known as the John West hollow, one thousand feet from Greenbrier River, thence running with said branch in a northerly direction to Greenbrier River ; thence down Greenbrier River with the southerly bank thereof, to the south-westerly corner of the upper bridge across said river, about one mile from the mouth of said river, thence northerly to the center of Greenbrier river, thence westerly along the center of Greenbrier river to the easterly side of the Bellpoint bridge across Greenbrier river; thence from the said easterly side of said bridge in a northeasterly direction to the intersection with the Hinton independent school district line; thence with said school district line to the point of beginning at a stone post marked "C. & 0.," and includes all of the territory embraced within the corporate limits of the City of Hinton, all of the territory embraced within the present corporate limits of the City of Avis, all of the village locally known as Bellepoint, including the L. L. Pack property, Greenbrier Terrace addition, Greenbrier Front Extension numbers one and two, the Jack Sims addition, and additional outlying territory adjoining the said Town of Bellepoint and additions thereto, and including the Quesenberry addition to the City of Hinton, Flat Rock section and Tug Creek, and the waters and islands of New River between the mouth of Tug Creek and the southerly line of the said City of BeIlepoint,

and the waters and islands of Greenbrier river to the easterly line of said city at the upper Greenbrier river bridge, and including all of the railroad right of way, tracks, yards and other improvements of the Chesapeake & Ohio Railway company embraced within the above described territory.

Sec. 3. Wards.

The said *City* of Hinton shall be divided into eight wards, which shall be bounded and described as follows:

First Ward. All of that portion of the territory embraced in the corporate limits of the said City of Hinton *lying* on the north-easterly side of the center Iine of Twelfth avenue extended in a north-westerly direction across the Chesapeake & Ohio railway property to New River, and extended from the upper end of said Twelfth avenue in a south-easterly direction to intersect with the corporate line of said city, shall constitute and be the first ward of the said City of Hinton.

Second Ward. All of that portion of the territory embraced in the corporate limits of the said City of Hinton lying between the center line of said Twelfth avenue extended as aforesaid, and the center line of Seventh avenue extended in a north-westerly direction across the Chesapeake & Ohio Railway company's property to New River, and extended from the upper end of Seventh avenue in a south-easterly direction to intersect with the line of the corporate limits of said city, shall constitute and be the second ward of the said City of Hinton.

Third Ward. All of **that** portion of the territory embraced in the corporate limits of the said City of Hinton, lying between the center line of said Seventh avenue, extended as aforesaid, and the center line of Fourth avenue, extended in a north-westerly direction across the Chesapeake & Ohio Railway company's property to New River, and extending from the upper end of Fourth avenue in a south-easterly direction to intersect with the south-easterly boundary lines of said city,

shall constitute and be the third ward of the said City of Hinton.

Fourth Ward. All *of* that portion of the territory embraced in the corporate limits of the said City of Hinton, lying between the center line of Fourth avenue, extended as aforesaid, and the center line of Second avenue, extended in a northwesterly direction across the Chesapeake & Ohio Railway company's property to New River, and from the upper end of said Second avenue extended in a south-easterly direction to intersect with the south-easterly boundary line of said city, shall constitute and be the Fourth ward of said City of Hinton.

Fifth Ward. All *of* that portion of the territory embraced in the corporate limits of the said City of Hinton lying between the center line of Second avenue, extended as aforesaid, and the center line of Cross street, extended in a north-westerly direction across the property of the Chesapeake & Ohio Railway company to New River, and extended from the upper end of said Cross street in a south-easterly direction to intersect with the south-easterly boundary line of said city, shall constitute and be the fifth ward of the said City of Hinton.

Sixth Ward. All of that portion of the territory embraced within the corporate limits of the said City of Hinton lying between the said center line of Cross street, extended as aforesaid, and a line from the point where the corporate line of said city crosses Keatley's spring hollow, thence down said hollow to the main line of the Chesapeake & Ohio Railway company. thence in a northerly direction with the main line of said Chesapeake & Ohio Railway company to Main street ; thence with Main street and First street to New River at the old Hinton ferry, shall constitute and be the sixth ward of said City of Hinton.

Seventh Ward. All *of* that portion of the territory embraced within the corporate limits of the said City of Hinton, lying between said line from the point where the corporate line of said city crosses Keatley's springs hollow; thence down

the said hollow to the main line of the Chesapeake & Ohio Railway company, and with said main line of said Chesapeake & Ohio Railway company to Main street; thence with Main street and First street to New River at the old Hinton ferry and New River; from said old Hinton ferry up to the point of intersection of the Greenbrier River with New River at Bellepoint; thence up Greenbrier River to the line of the corporate limits of said city at the upper Greenbrier River bridge, shall contitute and be the seventh ward of said City of Hinton.

Eighth *Ward.* ***AU*** of that portion of the **territory** embraced within the corporate limits of the said City of **Hinton, lying** between **Greenbrier River** and New River, and **bounded** on the south and east by the corporate lines of said city, and locally known as Bellepoint, shall constitute and be the eighth ward of the said City of Hinton.

Sec. 4. Governing body.

The municipal **authority** of the city of Hinton shall consist of and be vested in **a mayor and four members** of the council, who shall be elected by the **voters** of **the whole** city ; **and** the **mayor and the four members of the council elected by the voters of** the whole **city as herein provided,** shall constitute and be "the council of the city of Hinton." (Acts 1935, ch. 131)

Sec. 5. Exercise of corporate powers.

All of the corporate powers and functions pertaining to the said City of Hinton shall be exercised by its council, or under its authority, in the corporate name of said city, unless otherwise provided by this act, or by municipal ordinance.

Sec. 6. Council to appoint and fix salaries, powers and duties of subordinate officers; not to appoint member of council.

The subordinate officers of said city may consist of such officers as the council from time to time by ordinance may

provide, including, at the discretion of the council, a city manager, recorder, chief of police, city attorney and city health officer. The salaries, powers and duties of any such subordinate officers appointed by the council shall be set out and designated in the ordinance providing for their appointment, which appointments shall be made in the manner hereinafter provided, but in no event shall the council appoint any of its members as a clerical assistant, recorder, or for the performance of any other duties than those of councilmen. (Acts 1935, ch. 131.)

Sec. 7. Terms of elective officers: terms and bonds of appointive officers.

The mayor and members of the council of the said city shall enter upon the duties of their respective offices on the first day of July next after their election, and continue for a period of two years, unless they shall sooner be removed from office for cause, by an affirmative vote of a majority of all the members elected to the council, after five days due notice, or shall resign. All subordinate and appointive officers shall enter upon the duties of their respective offices, as soon as they shall have been appointed and qualified, and give bond as required by this act or by ordinance of the city and shall hold and continue in 'their respective offices during the will and pleasure of the council.

All elective officers of the said city, shall continue in their respective offices until the end of their present terms of office, and their successors have been duly elected or appointed, qualified, and shall have given bond, as required by this act, for the faithful performance of the duties of their respective offices. (Acts 1935, ch. 131.)

Sec. 8. Qualifications for office; removal after hearing.

No person shall be eligible to the office of mayor, recorder, city manager or councilman, unless at the time of his election, he is legally entitled to vote in the city election for member

of the common council, and was for the preceding year assessed with taxes upon real or personal property within said city, of the assessed aggregate value of five hundred dollars, and shall have actually paid the taxes regularly assessed against it. He shall be an actual bona fide citizen of the United States of America, and a resident of the city for one year *last* preceding his election. The mayor or any member of the common council, ceasing to possess any of the qualifications specified in *this* section, or if convicted of any crime while in office, or found guilty of malfeasance, misfeasance or nonfeasance by an affirmative vote of all the members elected to the council, shall immediately forfeit his office, after being first given five days notice in writing of the charges filed against him by the mayor, any member of the council, or any citizen of the city. (Acts 1935, ch. 131.)

Sec. 9. Executive committees of political parties.

Any political party of the city may elect members of a political executive committee from said city, *which* committee may consist of one member from each of the wards of said city, to be elected by the voters of the respective wards at any city primary election, in the manner provided for the election of political executive committes by the general law of the state, and any political executive committee so elected shall hold office until the next city primary election.

Sec. 9 (a). Form of announcement of candidacy for mayor or council.

Any person who is eligible to hold the office of mayor or member of the council of the said city, may file with the city manager or recorder of said city, a certificate declaring himself a candidate for the nomination for such office, which certificate shall be in form or effect as follows :

I, - - - - - - - - - - - - - , do hereby certify that I am a candidate for the nomination for the office of mayor of the city of Hinton, (or for the office of member of the council of the city of

Hinton,) to represent the - - - - - - - -political party, and desire my name printed on the official ballot of said party, to be voted at the city primary election to be held in said city on the - - - - day of - - - - - - - - - - -, 19____. I further certify that I am a legally qualified voter of the said city of Hinton, and state of West Virginia; that my residence is No. - - - - -, - - - - - - - - - - Street, in the said city of Hinton; that I am eligible to hold said office and I am a member of and affiliated with said political party, and that I am a candidate for the said office in good faith.

(Signature of Candidate)

Subscribed, sworn to and acknowledged before me this day of - - - - - - - - - - , 19 - - - - - - - - - -

Notary Public.

Such announcement shall be signed and acknowledged by the candidate before some officer qualified to administer oaths, and such certificate shall be filed with the city **manager at least** ten days before the date of such primary election. (Acts 1935, ch. 131.)

Sec. 9 (b). Nominations to be made by primary; how primary conducted; declaration *of result.*

All candidates of any political party to be voted for at any municipal election for the office of mayor and member of the council of said city, shall be nominated by a primary election, to be held and conducted in said city. All such primary elections shall be held in said city on the second Tuesday in May, next before the general city election in the year in which the mayor and members of the council of said city are to be elected. Such primary election shall be held in the manner provided for in the nomination of state, county and district officers by the general election laws of this state in force at the time of such primary election, with the exception that the duties provided in the general election law to be performed

by the county court, shall be performed by the council of said city, and the duties to be performed under the general election laws by the clerks of the circuit court and county court shall be performed by the city manager or recorder of said city. The general election laws governing primary elections in force at the time of such primary election relating to the nomination of party candidates and officers of elections, shall govern such city primary election, the same as if such primary election laws were reenacted in ex tenso by this act, with the exception that no political party shall nominate more than one candidate for mayor of said city, and four candidates for members of the council of said city, at any primary election.

The candidate of each political party for mayor receiving the highest number of votes in the whole city and the four candidates of each political party for members of the council in said city receiving the highest number of votes in the whole city, shall be declared nominated as such political party's candidate for mayor and members of the council of said city, and their names shall be placed on the ballot for the general city election, as the candidates of their respective political party for mayor and such members of the council to be voted for at such general city election. (Acts 1935, ch. 131.)

Sec. 9 (c). General city election, how conducted and returned; certificate of election.

The general election for the election of a mayor and the four members of the council of said city shall be held on the **second Tuesday in June in the year one** thousand nine hundred thirty-five, and each two years thereafter; said general city election shall be held and conducted under the provision of the general election laws of this state in force at the date of such election and governed by the said general election laws of this state in every respect, insofar as the same are applicable to city elections, with the exception that the duties to be performed by the county court shall *be* performed by the council of the said city, and the duties to be performed by the clerks of

the county court and circuit court shall be performed by the city manager or recorder of the said city, respectively.

The returns of the election shall be made by the city officers to the city manager or recorder, and by him submitted to the council on the fifth day after such election, and the same shall be canvassed, and the result thereof declared by the said council on said day or as soon as the council can finish and canvass the returns of such election, whereupon the council shall cause certificates of election to be issued and delivered to the persons elected as mayor and members of the council of said city. (Acts 1935, ch. 131.)

Sec. 9 (d). How primary and general elections conducted in 1935.

The mayor of the city of Hinton and the four members of the council of said city so nominated and elected by the voters of said city at the primary and city election held in said city, as hereinbefore provided, shall hold and continue in their respective offices as mayor and members of the council of said city until the end of the thirtieth day of June, one thousand nine hundred thirty-seven, when their respective terms of office shall expire; Provided, that their successors have been duly nominated and elected as hereinbefore provided; Provided, however, that the primary election held under the act as amended for the nomination for mayor and four members of the council of said city, on the second Tuesday in May, one thousand nine hundred thirty-five and the general election for the election of mayor and the four members of the council of said city, held on the second Tuesday in June, one thousand nine hundred and thirty-five, shall be called, conducted and held in each of the eight voting precincts in said city of Hinton, as are now established, and by the boundaries of said eight voting precincts in said city of Hinton as are now laid off and established, by the council of the City of Hinton, in office on and before the first day of July, one thousand nine hundred thirty-five. (Acts 1935, ch. 131.)

Sec. 9 (el. City election in June, 1935.

The council of the city of Hinton in office before the first day of July, one thousand nine hundred thirty-five, shall appoint all election officers necessary to hold and conduct such primary and said general city election, held on the second Tuesday in May and the second Tuesday in June, one thousand nine hundred thirty-five, respectively; they shall furnish all necessary ballots and supplies for such primary and general city election and shall canvass and declare the result thereof, hear and decide all contests over the nomination or election of any officer at such primary or general city election and cause to be executed and delivered certificates of election to the mayor and the four members of the council of said city so elected, and shall do any and all things necessary to hold and ascertain the result of said primary and said city election. (Acts 1935, ch. 131.)

Sec. 9 M. **Registration of roters.**[2]

The council of the city of Hinton, now in office or in office as soon as this act is amended, and goes into effect, shall provide for the registration of voters in each of the eight voting precincts of said city, as provided by this act **as** amended, **shall furnish all necessary registration books and blanks to make** such registration, appoint the registrars which registration shall be made immediately after the appointment of such registrars, and the said council of the city of Hinton shall hold **a** regular or special session on the fifth day before the first primary and city election to pass upon such registration and correct the same in the manner provided by this act. (Acts 1935, ch. 131.)

[2] Section 482 of Michie's Code of West **Virginia** of **1943 provides** that it **shall be the duty of each** municipality to make provision by **ordinance** for **integrating the** conduct of all municipal elections with **the** system **of permanent registration of voters. The provisions of this section supersede** conflicting **provisions** of existing municipal charters and is **deemed** an amendment to such charters. Attention is directed to Ch. 7, § 1.

Sec. 9 (g). Voting precincts.[3]

Each of the eight voting precincts of the city of Hinton, as now established and the boundaries thereof, as now established shall constitute, remain and be the eight voting precintcs of said city, by the boundaries as now laid off and established until the council of the said city of Hinton, shall by ordinance, entered of record, change or designate, increase or diminish said voting precincts and rearrange the boundaries of the same : Provided, however, That any new voting precinct established or any change made in the voting precincts of the city shall be made by ordinance, regularly passed by the council of the city of Hinton and notice thereof given by publication in .one democratic and one republican newspaper of general circulation, published in Summers county, at least thirty days before said change takes effect. (Acts 1935, ch. 131.)

Sec. 10. Qualifications of voters.

Every person residing in said city, over twenty-one years of age shall be entitled to vote for all officers elected under this act; but no person who is a minor, or of unsound mind, or a pauper, or who is under conviction of treason or bribery in an election, or who has not been a resident of this state for one year, and of said city for sixty days, next preceding the election at which he desires to vote, shall be permitted to vote therein, or, who is not a *bona fide* citizen of the United States and citizen of the state of West Virginia.

And, *provided further,* That no person shall be permitted to vote at any of the primaries or elections of said city, who

[3] The eight voting precincts of the city coincide to the boundaries of the voting precincts fixed by the County Court of Summers County, the first ward of the city constituting the fourth Summers County precinct; the second ward, the fifth precinct; the third ward, the sixth precinct; the fourth ward, the seventh; the fifth ward, the eighth; the sixth ward, the ninth; the seventh ward, the tenth; the eighth ward, the eleventh.

has not been duly registered for such primary or city election, as provided by this act.

Sec, 11. Method of voting.

In all primaries and elections by the people of said city, the mode of voting shall be by ballot, but the voters shall be left free to vote an open, sealed or secret ballot, as they may elect.

Sec. 11 (al. Election contests.

The council of the City of Hinton shall hear and decide all contests over the nomination of any city officers made at any city primary election, and shall hear and decide any contest over the election of a mayor or member of the council. The council in hearing and deciding any such contests, shall be governed by the general election law of the state governing contests of elections, insofar as the same is applicable to such city elections.

Sec. 12. Registration of voters; *fee of registrars; duties of* registrars and council; when registration made by county court may be adopted by city, after correction by council.'

All qualified voters within the City of Hinton entitled to vote in the municipal elections held therein, shall be registered in like manner, as are qualified voters of West Virginia registered under general laws in reference to **the election of state and county officers, in effect at the time of such registration,**

[4] **Section 482 of Michie's Code of West Virginia of 1943 provides that it shall be the duty of each municipality to make provision by ordinance for integrating the conduct of all municipal elections with the system of permanent registration of voters. The provisions of this section supersede the conflicting provisions of existing municipal charters and is deemed an amendment to such charters. Attention is directed to Ch. 7, § 1.**

and such general laws shall in all things apply thereto, except the fee for such registration shall be five cents for each qualified voter so registered, and the powers conferred upon the county court and the clerk of the county court by the general laws in reference to the registration of voters for general elections of state and county officers are hereby conferred upon the council of the City of Hinton, city manager, or recorder, respectively : *Provided further,* That the registrars for each of the respective wards of said city shall be appointed by the present council at a regular or special meeting of said council held on the third Monday in April next preceding any general election in said city, and that the said registrars shall complete such registration of voters on or before the first Tuesday in May following, and shall on the first Tuesday in May sit for one day in their respective voting precincts for the purpose of correcting such registration, and shall thereupon immediately return the registration books of the respective voting precincts to the city manager or recorder of said city. And the council of said city shall hold a regular or special meeting on the fifth day, Sunday excluded, prior to the date for holding of the primary election in said city, for the purpose of correcting such registration, and registrating **any** voters of said city who are qualified, and who shall have been omitted or failed to have been registered by the registrars : *Provided further,* That the council of said city shall meet again five days prior to the general city election for the purpose of correcting further the registration of the voters of said city, and shall add to such registration lists the names of any qualified voters of said city who shall appear in person for the purpose of being registered for said city election, and in all other respects the general laws of the state, pertaining to the registration of voters, shall govern the registration of voters for said city primary and general election, insofar as the same may be applicable thereto, unless otherwise provided by ordinance: *Provided,* That in event the county court of Summers County shall change the regular voting precincts embraced in what is included in the territorial limits of the city by this

act, for the election of county and district officers, the council may by ordinance provide for the adoption of the last registration of voters made in each of the precincts for the nomination and election of county and district officers, in lieu of the registration herein required to be made for city primaries and general elections. The council shall sit on the fifth day, Sunday excluded, prior to any city primary or election for the purpose of correcting the registration list, and shall correct the same by striking from the registation books so adopted the names of all persons who are not then qualified voters in each of the respective voting precincts, and shall add to such registration the names of all qualified voters *who have* been omitted from *such* list or who have become qualified to vote in such voting precinct by reason of their age, residence therein, or any other grounds that would legally qualify them to a vote in such voting precinct; and such registration list when so corrected, may be adopted as the registration for any city primary or city election, under this act. (Acts 1935; ch. 131.)

Sec. 13. Oath of elective and appointive officers.

The mayor and members of the council of said city and all other officers provided for in this act, or that may be provided for by ordinance, shall, each, before entering upon the duties of their office, and within fifteen days after receiving their certificate of election, or appointment, take the oath or affirmation prescribed by law for all officers in this state, and make oath or affirmation that they will truly, faithfully and impartially, to the best of their ability, discharge the duties of their respective offices, so long as they may continue therein; said oath or affirmation may be taken before any person authorized to administer oaths in this state at the time the same is taken, or before the mayor of the said city, but in any event a copy of said oath of said office shall be filed with the city manager or recorder, with the exception that the oath of office of the city manager, as provided herein, shall be filed with the mayor. (Acts 1935, ch. 13L) .

Sec. 14. Official bonds.

The mayor, city manager, chief of police and all other police officers of the city herein provided for, or that may be provided for by ordinance passed by the council, shall before entering upon the duties of their respective offices, execute and file with the recorder their respective official bonds, with good and sufficient security thereon to be approved by the council, in the following sums: the mayor shall give a bond in the penal sum of not Iess than one thousand dollars ; the city manager shall give a bond in the penal sum of not less than twenty thousand dollars, and the chief of police and other police officers of the city shall give a bond in the penal sum of not less than three thousand five hundred dollars, which said bonds and each of them shall be conditioned for the faithful discharge of the duties of their respective offices, and for the accounting for and paying over, as required by law, of all moneys which may come into their respective hands by virtue of their said office, and the bonds of the city manager, chief of police or any other police officers, who are authorized under this act, or under the general law of the state, to carry pistols, revolvers, maces or other weapons, in addition to the above conditions, shall be conditioned to pay all costs and damages accruing to any one by the accidental discharge or improper, negligent or illegal discharge or use of the said weapons, and such conditions shall be read into such bonds whether actually written therein or not.

Sec. 15. Bonds to be payable to city or state; proceedings against obligators.

All bonds, obligations or other writings taken in pursuance of any provisions of this act, or under the provisions of any order of said city, shall be made payable either to the City of Hinton, or to the state of West Virginia, and the obligators therein and their heirs, executors, administrators and assigns bound thereby shall be subject to the same proceedings on such bonds, obligations or writings for enforcing the conditions of

the terms thereof by motion or otherwise, before any court of record or justice of the peace having jurisdiction thereof, held or acting in or for said Summers county, or any district thereof or elsewhere, that the sheriff or collector of said county and his sureties are or shall be subject to on his bond taken for the enforcement of the duties in the payment of the county levy.

Sec. 16. Salaries of elective and appointive officers.

The salary of the mayor shall not exceed three hundred dollars per year, payable monthly out of the city treasury. The salaries of the members of the city council shall not exceed twent-five dollars per year each, **payable semi-annually** out of the city treasury. The salary of the city manager, if one is appointed by the council, and clerical assistant used in the performance of duties in and for the City of Hinton shall he fixed by the council by ordinance or by **resolution** of the council **.appointing** such city manager **or** clerks, **payable monthly** out of the city treasury : ***Provided,*** *however,* That the salary of any such. clerical assistants **and** the salary of the recorder shall not exceed the sum of thirty-five dollars per month for any such appointee. The salary of the chief of police and all regular police officers, the city attorney, commissioner of health, and all other regular city officers and employees **provided** for by ordinance, or by order of the council, shall be fixed by the council at the time of, and in order or resolution appointing such officers or employees, and shall be paid monthly out of the city treasury: *Provided,* That there shall he deducted from the salary of each of the councilmen five per cent of the annual salary so designated by the council, for each regular meeting of the council that such member of the council fails to attend. The salary, fees and compensation of all police officers, and any other special officer of the city, **appointed** by the mayor and the council shall be fixed and determined by the council, and any such special officer so appointed, who is not paid a regular salary, shall not be en-

titled to receive for his services any fees derived under the fee system, which is provided by statute to be paid to constables for like services, but that any special officer so appointed must be placed on a regular salary so determined by the three-fifths vote of the mayor and council. (Acts 1935, clt. 13L)

Sec. 17. Action by council upon election of ineligible penon or failure of person elected to qualify.

If any person elected to any office shall not be eligible thereto under the provisions of this act, or shall fail to qualify as herein required, the council shall declare his said office vacant and proceed to fill the vacancy as required by this act.

Sec. 18. Council to fill vacancies in office.

Whenever a vacancy for any cause shall occur in the office of mayor or member of the council of said city, the mayor and remaining members of the council, or in a case of a vacancy in the office of mayor, the members of the council of the said city, shall fill said vacancy by electing a mayor or such member of the council to fill the office or offices for and during the term of such officer.

In case of a vacancy in the office of the city manager, recorder or any other appointive officer of said city, the council shall at its next regular meeting, or at a special meeting called for the purpose, fill such vacancy in the same manner as such officer was originally appointed or elected by the council. (Acts 1935, ch. 131.)

Sec. 19. Removal of elective officers for cause; removal of appointive officers with or without cause.

The mayor or any member of the council may be removed from office by the council for intemperance, gross immorality, gambling, malfeasance, misfeasance or nonfeasance in office, inability to act, refusal or neglect to perform the duties of

their respective officer imposed by this act, upon being served with a notice in writing of the charges preferred against such officer at a regular meeting of said council, or a special meeting called for the purpose, followed by a hearing to be had on said charges not earlier than five days after the service of said notice in writing on such officer so sought to be removed, and it shall require an affirmative vote of a majority of all the members elected to the council to remove *such* officer from the office to which he shall have been elected. Any appointed officer who holds his office at the pleasure of the council may be removed from the office with or without cause, at any time by a like vote of the council. (Acts 1935, ch. 131.)

Sec. 20. Time and place of meeting of council; compelling attendance of members; meeting open to public.

The regular meetings of the council shall be publicly held at such times and at *such* places in the city as it shall from time to time ordain and appoint: *Provided,* That at the first meeting of the council under *this* act, it shall provide by ordinance or resolution entered of record the time and place of regular meetings of the council during the term of office, and after each city election the new council elected shall at its first meeting, by like order or resolution, fix the time and place for the regular meetings of the council during its term: *Provided, further,* That at no time shall a place be so designated for a meeting of the council, either regular or special,- to be held at a place other than in the property which is owned by the city. It shall be lawful for the council, by ordinance or resolution entered of record, to vest in the mayor, or any member or members of the city council, the authority to call special meetings and to prescribe the mode and manner of the giving of notice to the members of the council of the times and places of such special meetings. If a quorum of the members of the council fail to attend any regular or special meeting, those *in* attedance shall have authority to compel the attendance of the absent members under such reasonable pen-

alty as may be provided by ordinance. The council shall provide for at least one regular meeting of the council in each month, and such other regular meetings as it deems necessary. In no event shall any meeting, either regular, special or executive be closed to the public. (Acts 1935, ch. 131.)

Sec. 21. Mayor and three members constitute quorum of council.

The presence of the mayor or the president of the council, and three other members of the council shall be necessary to constitute a quorum for the transaction of business at all meetings of the council of said city. (Acts 1935, ch. 131.)

Sec 22. Presiding officer to have one vote; when majority of all members elected required.

The mayor, or in his absence, the president of the council, shall preside at the meetings of said council, and shall have a vote on all matters before the council for consideration, the same as any member of the council, but in no event shall the said mayor or presiding officer have power and authority to cast the deciding vote on any matter where he has voted as a member of the council: *Provided,* That it shall require the affirmative vote of a majority of all the members elected to the council to appoint or remove any officer and to pass any ordinance, franchise, resolution for bond issues or other matters required by this act. (Acts 1935, ch. 131.)

Sec. 23. Selection of president of council; duties and powers.

At the first meeting of the city council provided for by this act, the council shall elect one of its members as president of the council, who shall hold such office during the term of said council, and who shall be ex-officio vice-mayor of the said city. In case of temporary absence of the mayor from the city or his inability to act from any cause, or during any vacancy in the office of mayor, the said president of the council shall

preside over the council and perform the duties of the mayor; and, in addition to presiding over said council, he is hereby vested with all the powers necessary for *the* performance of the duties of the mayor of said city while acting as such mayor, including the authority of the mayor pertaining to civil and criminal jurisdiction, and shall perform *such* other duties as may be required of him by the council.

All acts and parts of acts inconsistent with the provisions of this act are hereby repealed. (Acts 1935, ch. 131.)

Sec. 24. Corporate powers.

The common council of said city shall have and is hereby granted power :

(1) Survey. To have the city surveyed.

(2) Opening, maintenance, etc., of streets, squares, and sewers, etc.; special assessment therefor. To lay out, open, vacate, straighten, broaden, change grade of, grade, regrade, curb, widen, narrow, repair, pave and repave, streets, alleys, roads, squares, steps, sidewalks and gutters for public use, and to alter, improve, embellish and ornament and light the same, and to construct and maintain public sewers and laterals, and shall in all cases have power and authority to **assess** upon, and collect from the property benefited thereby such parts of the expense thereof as shall be fixed by ordinance, except as hereinafter provided.

(3) Regulation of use of streets; obstructions, pollution, litter. To have control of all streets, avenues, roads, alleys and grounds for public use in said city, and to regulate the use thereof, and driving thereon, and to have the same kept in good order and free from obstruction, pollution or litter on or over them.

(4) Bridges. To have the right to control all bridges within said city and the traffic thereover.

(5) Street names and premise numbers. To change the name of any street, avenue or road within said city, and regulate and cause the numbering and renumbering of houses on

any street, avenue or road therein; to provide for and regulate the naming of streets, avenues and public places.

(6) Regulation of width of streets. To regulate and determine the width of streets, sidewalks, roads and alleys.

(7) Curbing, paving and repair of sidewalks; duty to clean sidewalks. To *order* and direct the curbing, re-curbing, paving, repaving and repairing of sidewalks and footways for public use in said city, to be done and kept clean and in good order by the owners of adjacent property.

(8) Abuse of animals. To prohibit and punish the abuse *of animals.*

(9) Vagrants, beggars, prostitutes, etc. To restrain and punish vagrants, mendicants, beggars, tramps, prostitutes, drunken or disorderly persons within the city, and to provide for their arrest and manner of punishment.

(10) Bringing person or animal infected with contagious disease into the city. To prohibit by ordinance the bringing into the city any person or animal afflicted with **contagious** or infectious diseases, and to punish any **violator** of said ordinance who knows or has reason to believe such person or animal to be so afflicted.

(11) Houses of ill-fame and gaming ***houses; gambling.*** To control and suppress-disorderly houses, houses of prostitution or ill-fame, houses of assignation and gaming houses, or any part thereof, and to punish those **engaged in gambling.**

(12) Slaughterhouses and other offensive establishments. To prohibit within said city, or within two miles thereof, slaughter houses, soap or glue factories and houses and places of like kind, and any other thing or business dangerous, unwholesome, unhealthy, offensive, indecent or dangerous to life, health, peace or property.

(13) Entrance into and examination of premises. To provide for the entry into, and the examination of, all dwellings, lots, yards, enclosures, buildings and structures, automobiles, vehicles of every description, and to ascertain their condition for health, cleanliness or safety.

(14) Walls, fences, fireplaces, smokestacks and stovepipes. To regulate the building and maintenance of party walls, partion fences or Iines, fire walls, fire places, boilers, smoke stacks and stovepipes.

(15) Construction, inspection and repair of buildings, bridges sewers, etc. To provide for and regulate the safe construction, inspection and repair of all public and private buildings, bridges, basements, culverts, sewers or other buildings or structures of any description.

(16) Removal or repair of dangerous walls or structures. To take down and remove, or make safe and secure, any and all buildings. walls, structures or superstructures at the expense of the owners thereof, that are, or may become dangerous, or to require the owners or their agents, to take down and remove them, or put them in a safe condition, at their own expense.

(17) Erection of buildings. To regulate, restrain or prohibit the erection of wooden or other buildings within the city. .

(18) Building regulations. To regulate the height, construction and inspection of all new buildings hereafter erected, and the alteration and repair of any buildings already erected, or hereafter erected in said city, and to require permits to be obtained for such buildings and structures and plans and specifications thereof to be first submitted to the building inspector.

(19) Projections. To regulate the limit within which it shall be lawful to erect any steps, porticos, bay windows, bow windows, show windows, awnings, signs, columns, piers or other projection or structural ornaments of any kind for the houses or buildings fronting on any street of said city.

(20) Fire limits; regulations as to fire. To establish fire limits and to provide the kind of buildings and structures that may be erected therein, and to enforce all needful rules and regulations to guard against fire and danger therefrom.

(21) Fire escapes. To require, regulate and control the construction of fire escapes for any buildings or other structures in said ctiy.

(22) Opening and construction of ditches, drains, sewers, cesspools and gutters. To **control the opening and construction of ditches, drains, sewers, cesspools and gutters, and to deepen, widen and clear the same of stagnant water or filth, and to prevent obstruction therein, and to fill, close or abolish the same, and to determine at whose expense the same shall be done.**

(23) Fire and police stations, police courts, jails and **in-1** *cineratars, etc.* **And to build and maintain fire station houses, crematories, incinerators, jails, lockups and other buildings, police stations and police courts, and to regulate the management thereof.**

(24) Public grounds, markets, hospitals, libraries, educational and charitable ***institutions*** *and other city buildings.* **To acquire, establish, lay off, appropriate, regulate, maintain and control public grounds, squares and parks, hospitals, market houses, city buildings, libraries and other educational or charitable institutions either within or without the city limits.**

(25) Eminent domain. **And when the council determines that any real estate in or out of the city is necessary to be acquired by said city for any such purpoees, or for any public purpose, or is necessary in the exercise of its powers herein granted, the power of- eminent domain is hereby conferred upon said city, and it shall have the right to institute condemnation proceedings against the owner thereof in the same manner, to the same extent and upon the same conditions as such power is conferred upon public corporations by chapter forty-two of Barnes' code of West Virginia,[5] of the edition • of one thousand nine hundred and twenty-three, and as now, or may hereafter be amended.**

(26) Purchase and sale, etc., of public buildings and real estate. ***To*** **purchase, sell, lease or contract for, and take care of all public buildings and structures, and real estate deemed proper for the use of the said city.**

[6] **Chapter 54 of Michie's Code of West** Virginia **of 1943.**

(27) Removal of unsafe walls and structures; excavations. And for the protection of the public, to cause the removal of unsafe walls, structures or buildings and the filling of excavations.

(28) Prevention of nuisances. To prevent injury or annoyance to the busi$_i$ness of individuals from anything dangerous, offensive or unwholesome.

(29) Abatement of nuisances. To abate or cause to be abated all nuisances, and to that end and thereabout to summon witnesses, to hear testimony.

(30) Gunpowder, *combustible* ***and dangerous articles.*** *To* regulate or prohibit the keeping of gunpowder and other combustible or dangerous articles within the city limits.

(31) Explosives, firecrackers, fireworks; dangerous or annoying noises or performances. To regulate, restrain or prohibit the use of firecrackers or other explosives or fireworks, and all noises or performances which may be dangerous or annoying to persons, or tend to frighten horses or other ani= mals.

(32) Cemeteries and burial. To provide and maintain proper places for the burial of the dead, in or out of the city, and to regulate interments therein upon such terms and conditions as to price and otherwise as may be determined.

(33) Trees, shrubs, etc. To provide for shade and ornamental trees, shrubbery, grass, flowers and other ornamentation, and the protection of the same.

(34) Provision for poor. To provide for the poor of the city, and to that end may contract with the proper authorities of Summers county to keep and maintain the poor, or any number thereof, upon terms to be agreed upon; *provided, however,* that the said City of Hinton shall not keep or maintain the paupers of said city until such time as the county court of Summers county shall relieve the said city from the payment of all taxes for the support of the paupers residing outside of the corporate limits of said city.

(35) Traffic regulations. To make suitable and proper regulations in regard to the use of the streets, public places,

sidewalks and alleys by street cars, foot passengers, animals, vehicles, motors, automobiles, traction engines, railroad engines and cars, to regulate the running and operation of the same so as to prevent obstruction thereon, encroachments thereon, or injury, inconvenience or annoyance to the public.

(36) Prize fighting; cock fighting and dog fighting. To prohibit prize fighting, cock and dog fighting.

(37) License taxes. To license, tax, regulate or prohibit theaters, moving pictures, circuses, the exhibition of showmen and shows of any kind, and the exhibition of natural or artificial curiosities, caravans, menageries and musical exhibitions and performances and other things or business on which the states does, or may, exact a license tax.

(38) Fire department and apparatus, regulations as to danger from the elements, of plumbing and wiring, airships and wireless stations, etc. To organize and maintain paid fire companies and departments, and to provide necessary apparatus, engines and implements for the same; and to regulate all matters pertaining to the prevention and extinguishment of fires; and to make proper regulations for guarding against danger and damage from fires, water or other elements, to regulate and control the kind and manner of plumbing and electric wiring, airships, ballons, wireless stations and other appliances for the protection of the health and safety of said city.

(39) Tax levies. To levy taxes on persons, property and licenses.

(40) Licensing and regulation of animals and fowl; impounding. To license and tax dogs and other animals, and regulate, restrain and prohibit them, and all other animals and fowls running at large and as one means of prevention to provide for impounding thereof, and upon failure. of the owner to reclaim such fowls and animals to make such sale thereof at the expense of the owner.

(41) Revenue and appropriations. To provide revenue for the city and to appropriate the same to its expenses.

(42) Rules for transacting business. To adopt rules for the transaction of business for its own regulation and government.

(43) General welfare; protection of persons and property. To promote the general welfare of the city, and to protect the persons and property of the citizens therein.

(44) Weights; signs, billboards, etc. To regulate and provide for the weighing of produce and other articles sold in said city, and placing of signs, billboards, posters and advertisements in, on or along the streets, alleys and public places.

(45) Licenses for carrying on business. 'To have the sole and exclusive right to grant, refuse or revoke any and all licenses for the carrying on of any business within said city on which the state exacts, or **may** exact, a license tax.

(46) Markets. To establish and regulate markets and to prescribe the time for holding the same, and what shall be sold in such market, and to let stalls or apartments and replate the same, and to acquire and hold property for market purposes.

(47) Signs, billboards, etc. To regulate the placing of signs, billboards, posters and advertisements in, or over the streets, alleys, sidewalks and public grounds of said city.

(48) Preservation of safety and health; drugs. To preserve and protect the order and safety and health of the city and its inhabitants, including the right to regulate the sale and use of cocaine, morphine, opium and poisonous or dangerous drugs.

(49) Weapons. To prohibit the carrying of concealed or dangerous weapons within the corporate limits of said city.

(50) Drunkenness. To punish drunkeness.

(51) Gambling. To prevent gambling.

(52) Preservation of morals and decency. To prohibit anything against good morals and common decency, and fix punishment therefor.

(53) Observance of Sunday. To prevent the desecration of the Sabbath day.

(54) Profanity. To prohibit profane swearing.

(55) Intoxicants. To prohibit the illegal sale of intoxicating drinks, mixtures or preparations.

(56) City elections. To appoint and fix the place of holding elections.

(57) Gas, electric light or waterworks. To erect, own, lease and authorize or prohibit the erection of gas works, electric light works, or water works, in or near the city, and to operate or to regulate the operation of the same, and sell the products or services thereof, and to do any and all things necessary and incidental to the conduct of such business.

(58) Purety of food and drink. To provide for the purity of water, milk, meats and provisions offered for sale in said city, and to that end provide for a system of inspecting same and making and enforcing rules for the regulation of their sale, and to prohibit the sale of unwholesome or tainted milks, meats, fish, fruits, vegetables, or the sale of milk containing water or other things not constituting a part of pure milk.

(59) Inspection of dairies and ***slaughterhouses.*** *To pro*vide for inspecting dairies and slaughterhouses, whether in or outside of the city, where the milk and meat therefrom are offered for sale within said city.

(60) Articles ***deemed unwholesome.*** And **to prohibit the** sale of any article deemed unwholesome, and to condemn the same or destroy or abate it as a nuisance.

(61) Public processions. To provide for the regulation of public processions so as to prevent interference with public traffic, and to promote the good order of the city.

(62) Ordinances and rules for protecting health, property, morality, etc. To prescribe and enforce ordinances and rules for the purpose of protecting the health, property, lives, decency, morality, cleanliness and good order of the city and its inhabitants.

(63) Divine worship. And to protect places of divine worship in and about the premises where held.

(64) Punishment for violation of ordinance. And to punish violations of all ordinances even if the offense under and against the same shall also constitute offense under the laws of the state of West Virginia or the common law.

(65) Employment of ***those*** *committed in default of payment of fine.* To provide for the employment and safe keeping of persons who may be committed in default of the payment of fines, penalties and costs under this act, **who** are otherwise unable, or fail, to discharge the same, by putting them to work for the benefit of the city, upon the streets or other places, in or out of the city provided by said city, and to use such means to prevent their escape while at work as the council may deem expedient, and the council may fix a reasonable rate per day as wages to be allowed such person until the fine and costs against him are thereby discharged.

(66) Attendance *at public meetings of council members.* To compel the attendance at public meetings of the members of the **council.**

(67) Rights, *privileges* ***and powers under Code*** *of* ***West*** *Virginia.* To have and exercise such additional rights, privileges and powers as are granted to municipalities by chapter forty-seven of the code of West Virginia, as amended!'

(68) Territorial jurisdiction. For all such purposes, except that of taxation, and for purposes otherwise Iimited by this act, the council shall **have** jurisdiction, when **necessary,** for one mile beyond the corporate limits of said city.

(69) Franchises. To grant and, regulate all franchises in, upon, under and over the streets, alleys and public ways of said city, under such restrictions as are contained herein, or shall be provided by ordinance, but no exclusive franchises shall be granted by said council to any **individual** or corporation, nor shall any franchise be granted for **a** longer period than fifty years.

(70) For-hire *vehicles.* To regulate Iicenses and restrict the **use** of motor buses, automobiles, carriages, drays and **wag-**

e Sections 453 to 510 of Michie's West Virginia Code of 1943.

,ms upon the streets, alleys and public grounds of said city, when same are being used for hire and reward.

(71) Public markets. And the council shall have the right ' to estabish, construct and maintain public markets on the grounds which do, or shall, belong to said city, or which it shall acquire, by purchase, *or* otherwise, and to sell, lease, repair, alter or remove any public markets or buildings which have been, or shall be, so constructed, and to preserve and protect the peace and good order at the said markets, and regulate the manner in which they shall be used.

(72) Adoption and enforcement of ordinances, etc.; imposition of fines and penalties. To carry into effect these enumerated powers and all *other* powers conferred upon said city expressly or by implication in this and other acts of the legislature, the council of said city shall have *the* power, in the manner herein prescribed to adopt and enforce all needful orders, rules and ordinances not contrary to the laws and constitution of this state; and to prescribe, impose and enforce reasonable fines and penalties, including imprisonment in the city lock-up, jail or station house, **and** to **work prisoners** found **guilty** as the council **may prescribe, and market the products** of **such** labor, and with the consent of the **county court** of Summers **county** entered **of** record, **shall have** the right to use the jail of said county for any purposes necessary to the administration of its affairs. The council shall have the authority to pass all ordinances not repugnant to the constitution and laws of the United States and of this state, which shall be necessary and proper to carry into full effect the power, authority, capacity, and jurisdiction which is or shall be granted to or vested in the said city, or in the council, or in any officer or body of officers of said city, and to enforce any and all of the ordinances by reasonable fines and penalties, and upon the failure to pay any fine or penalty imposed, may compel the offender to labor without compensation at or upon any of the public works or imrovements undertaken, or to be undertaken, by said city, or to labor at any work which the

said council may lawfully employ labor upon, at such reasonable *rates per diem as* the council may fix, until any fines, or fines and cost, upon any offender of said city have been fully paid and discharged after deducting reasonable charges of support while in the custody of the officers of the city; *provided,* that upon conviction and imposition of penalty under such ordinance, no further prosecution shall be had in any of the courts of the state for the same offense.

(73) Waterworks. In addition to the powers above enumerated, the said city council shall have the power to build, construct, maintain and operate a sufficient water system and water works, as may be necessary for the proper supply of water to the inhabitants of said city, for public and private use, and said city shall have the power to purchase or condemn any water works now in the said city, or hereafter placed therein by any party other than the said city, wherever the council of said city shall deem proper, and such order shall have been ratified by a vote of the qualified voters of said city, at an election called for that purpose, with due notice, and at least two-thirds of the votes cast at said election shall vote for the ratification of said council to purchase or condemn said water works; and the said city shall have the power to enlarge the said water works, if so purchased or condemned, by putting additional reservoirs either within or out of said city; and the said city shall have the right, if its council shall deem proper, and the order of said council be ratified by a vote as aforesaid, to build, construct, maintain and to operate such water works in the said city as may be deemed proper without the purchase or acquisition of any water works then in said city, and the said city shall have the right to lay pipes and mains for the proper distribution of said water, either in or out of said city, as shall be necessary for the proper distribution of the same, and for that purpose may acquire by lease, purchase or condemnation all such Iands as shall be necessary, either within or without the said city, or they may contract for such work to be done, in either event to supply an adequate supply of pure, healthful water for said city, and to do

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all things necessary to supply said city and inhabitants thereof, with water as aforesaid.

(74) Electric light plant. And the said city may acquire by purchase or condemnation any electric light plant now in said city or hereinafter placed therein by any party other than said city, and shall have the right to build, construct, maintain and operate such plant for the furnishing of electricity for said city, and for the inhabitants thereof, but no electric light plant shall be purchased, condemned or built or operated, unless voted on by the qualified voters of the said city, at an election called and held as aforesaid, and the same be ratified by a two-thirds vote of all votes cast at said election.

(75) Poolrooms, ping-pong boards and vending machines. [?] The council shall have authority to license, regulate and control the operation of any pool room, ping-gong boards, gum-vending machines, or machines of like kind and character, and shall have the power to prohibit the operation of the same, within the territorial limits of the City of Hinton, and no state license granted by any authority for the operation of such pool rooms, ping-pong boards, gum-vending machines, or machines of like kind and character, shall authorize the holder of such license to operate the same within the territorial limits of said city.

Sec. 25. Powers and duties of the mayor.

The mayor of said city shall be chairman of its council, shall preside at all meetings of the council, and shall also be a conservator of the peace within the said city. He shall especially see that the orders, by-laws, ordinances, acts and resolutions of the council are faithfully executed. He shall be *ex-officio* justice of the peace within the said city and shall,

For case declaring this subsection to be declaratory of the general law and holding that the governing body of a city may maintain a policy of rejecting all applications for poolroom licenses, see State, ex rel. Baylor v. City of Hinton et al., 109 W. Va. 653, 155 S. E. 912.

within the same, have, possess and exercise all the powers and perform all the duties vested by law in a justice of the peace, except he shall have no jurisdiction in civil causes of action arising out of the corporate limits of the city, unless the defendant resides or is found therein and process therein served upon him. He shall have the same power to issue attachments in civil suits as a justice of the peace of his county; but in such case, he shall have no power to try the same, but such attachments shall be made returnable and heard before a justice of the peace of his country. Any warrant issued by him, or other process, may be executed at any place in Summers county. He shall have control of the police of said city, and may appoint special police officers, whenever he may deem it necessary, and may suspend any police officer of the city until the next regular meeting of the council. And it shall be his duty especially to see that the peace and good order of the city are preserved, and that persons and property therein are **protected,** and to this end **he** may arrest or **cause the arrest** and **detention** of **all violators** of the laws of this state **and ordi**nances of the city, before issuing his warrant therefor, if the offense is committed in his presence. He shall **have** power to issue his **warrant** *for* **the arrest** and apprehension of all persons **violating** the ordinances of the city, and **shall have power** to try the **same** and impose **upon** such **violators of** the **ordi**nances of said city such fines and penalties as are prescribed by the ordinances thereof. He shall have the power to issue executions for all fines, penalties and costs imposed by him, or he may require the immediate payment thereof, and in default *of such* payment, he may commit the party in default to the jail of said county, or *other* place of imprisonment used by such corporation, if there be one, until the fine or penalty and costs are paid. And in all cases *where a person is* sentenced to imprisonment or to the payment of a fine of ten dollars or more (and in no case shall a judgment for a fine be for less than ten dolars, if the defendant, his agent or attorney object to a less fine being imposed) such person shall be allowed an appeal *from* such decision to the circuit court

of the county of Summers, upon the execution of an appeal bond with a security deemed sufficient by said mayor to cover the fine and costs and the cost in the circuit court in case said judgment be affirmed, with condition that the person proposing to appeal, shall make his personal appearance before the circuit court of Summers county and will perform and satisfy any judgment which may be rendered against him by the circuit court on such appeal. *If such* appeal be taken, the warrant of arrest, if any, a transcript of the judgment, *the* appeal bond and other papers *in the case* shall forthwith be delivered by the said mayor to the clerk of said court, and the said court shall proceed to try the case as upon an indictment or presentment and render such judgment, including costs, as the law and evidence may require. The expense of maintaining any person committed to jail as hereinbefore set forth by the mayor, except it be to answer an indictment shall be paid by the said city and taxed as costs against the defendant. He shall from time to time recommend to the council such measures as he may deem useful and needful for the welfare of the city.

For his services as mayor, he shall receive the sum of nine hundred dollars per year, or such other sum as the council may fix, to be paid out of the city treasury in monthly installments, and such fees as may be collected in the trial of *cases* by him, as such mayor and ex-officio justice of the peace; and for his services in trying such cases, whether civil, criminal or infractions against ordinances, the mayor shall be entitled to charge and collect such fees as are paid to justices of the peace for similar services. And in all such cases, the chief of police, or other officer performing the service shall be entitled to receive such fees as are paid to constables for similar service ; *provided, further,* that the fee for making any arrest shall be one dollar, whether such arrest is made by the chief of police or other officer, *provided, however,* that all such fees as police officers for service of processes, making arrests in case such police *officer is* a salaried police officer of the city, shall be collected as part of the costs and paid into the treasury of the

city, but in event such police officer making such arrest or serving papers, shall be a special policeman and not drawing a regular salary, such fees, when collected, shall be paid over to the officer. All fees collected by the mayor as costs in criminal cases, and for violation of officers, shall be paid into the city treasury.

A well bound book, indexed, to be denominated the "police docket," shall be kept in the office of the mayor, in which shall be noted each case brought before or tried by him together with the *proceedings therein,* including a statement of the complaint, the warrant or summons, the return, the fact of appearance or nonappearance, the defense, the hearing, the judgment, the costs, and in case the judgment be one of conviction, the action taken to enforce same. The record of each case shall be signed by the mayor and the original papers thereof, if no appeal be taken, shall be kept together and preserved in his office.

There shall also be kept in the mayor's office a well bound book, properly indexed, to be denominated "mayor's civil docket," in which shall be kept the record of all civil trials, and suits on civil claims tried by the mayor, as *ex-o jieio* justice of the peace, in which shall be recorded all judgments, attachments and proceedings thereon, in the same manner as required to be kept by a justice of the peace.

The mayor shall be the chief executive officer of the city and shall take care that 'the orders, by-laws, ordinances, acts and resolutions of the council thereof are faithfully executed except insofar as such duties may conflict with the power and authority herein conferred by this act upon the city manager or that may hereafter be conferred by ordinance upon the city manager. The mayor shall have full power and authority to enforce all penal laws, ordinances and resolutions passed by the council, or conferred upon mayors of cities, towns and viIlages by the general law of the state, and the council shall have no authority by ordinance or otherwise to confer such powers upon the city manager.

Sec. 26. City manager. Repealed by Acts, 1935, ch. 131.

Sec. 27. Powers and **duties** ***of*** **police** ***officers.***

It shall be the duty of the chief of police and other police officers of the city to preserve order through the city, and to enforce all ordinances of the city and penal laws of the state within the territorial limits of said city, where the general law of the state requires and provides for the enforcement of such laws by city police officers.

The said police officers shall have power, rights and privi-Ieges within the corporate limits of said city in regard to the arrest of persons, the collection of claims and the execution and return of process that can be legally exercised by a constable of a district within this state; and may without having any warrant or other process therefor, arrest any person who commits any offense against the laws of this state or infraction of the ordinances of said city, in his presence. The chief of police shall be ex-officio the keeper of the city jail, and have charge of the city prisoners confined therein, and may confine any person arrested by him, or other police officer of the city, in the city jail until such time as the charge against such person can be inquired into by the mayor. Any person fined by the mayor for infraction of any of *the* ordinances of the city, may pay such fine to either the mayor or the chief of police, and the said police and their sureties shall be liable for all fines, penalties and forfeitures that a constable of a district is liable for in the same court that the said fine, penalties and forfeitures are now recovered against a district constable. For his services as police, each regular police officer of the city shall receive a salary to be fixed by the council, payable out of the city treasurer, and no other fees, commissions, emoluments, salaries or compensations whatsoever shall be allowed to him for such services. All fees, which but for this act, he would be entitled to recover and retain, shall nevertheless be charged and collected by him and paid into the city treasury at the end of each month for the use and

benefit of the city. The chief of police, and all regular police officers of said city shall be appointed to his office by the council.

Sec. 28. Powers and duties of city attorney.

The city attorney shall be the legal advisor of the city and all its officers in all matters arising and in which legal proceeding may be taken ; he shall prosecute all suits, actions and proceedings instituted on behalf of said city; and defend all suits and actions against said city, and when requested in writing, **shall give** his written opinion to the **mayor** or council or any standing committee thereof upon such legal questions as may be referred to him affecting the city's interest; he shall perform such other duties as may be required by the council. It shall be his duty to attend the sessions of the council when requested and prosecute all trials before the mayor and all appeals that are taken from such mayor to the criminal or circuit court, and for his services he shall receive such **compensation** as the council shall provide, and in addition thereto in all criminal prosecutions conducted by said city attorney, where there is a conviction of the defendant, there **shall be taxed an** attorney's fee in favor of **said** city attorney, not less than five nor more than ten dollars, which said fee shall be taxed as a part of the costs of the case, and when collected, paid to said attorney.

Sec. 29. Board of health.

The council shall nominate for appointment, pursuant to state law, a suitable person, who shall be a practicing physician, as health commissioner. The mayor, health commissioner and city attorney are hereby constituted and shall be a city board of health. The board of health shall do and perform all such duties and exercise such powers as may be required or conferred upon it by legal ordinance of said city.

It shall be the duty of such board of health to recommend to the council such ordinances for the protection of the health

of the city as it may deem necessary and proper. The city health officer shall be paid a salary to be fixed by the council of not less than three hundred and fifty dollars a year.

The board of health shall have the power to summon witnesses, hear testimony and to do any and all other things necessary and proper in the performance of its duties under this act, and under the general laws of the state, in such cases made and provided.

Sec. 30. Nuisances.

The council of said city shall have authority to abate and remove all nuisances in said city. It may compel the owners, agents, assignees, occupants, or tenants of any lot, premises, property, building or structure upon or in which any nuisance may be, to abate and remove the same by orders therefor, and by ordinance provide a penalty for the violation of such orders.

Said council may also, by its own officers, appointees and employees, abate and remove nuisances, including all obstructions on the streets and alleys of said city. It may by ordinance regulate the location, construction, repair, use, emptying, and cleaning all water closets privies, cesspools, sinks, plumbing, drains, yards, lots, areaways, stables and other places where offensive, unsightly, unwholesome, objectionable or dangerous substances or liquids are, or may accumulate, and provide suitable penalties for violations of such regulations, which may be enforced against the owners, agents, assignee, occupant, or tenant of any premises or structure where such violation may occur.

If the owner, agent, tenant, assignee or occupant of any such premises, lot, property, building or structure as is mentioned herein, fails to comply with the provisions of any such ordinance and the regulations herein contained, the said council may have said nuisance abated or the provisions of said ordinance or ordinances carried out, after reasonable notice to said owner, occupant, tenant, agent or assignee, of its intention so to do, and collect the expenses thereof, with one

per centum per month interest added from the date of said notice, from the said owner, occupant, tenant, agent or assignee, by distress or sale, in the same manner in which taxes levied upon real estate for the benefit of said city are herein authorized to be collected, and the expense shall remain a lien upon the said lot, or part of lot, the same as taxes levied upon real estate in said city ; which lien may be enforced by a suit in equity by any court having jurisdiction as other liens against real estate are enforced. In case of non-resident owners of real estate, such notice may be served upon any tenant, occupant, assignee, or rental agent, or by publication thereof once a week for not less than two consecutive weeks in some newspaper of general circulation in said city.

And in all cases where any tenant, occupant or agent is required to abate and remove any nuisance under the provisions of said section, or comply with the provisions of such ordinance as is mentioned herein, the expense thereof may be deducted from the accruing or accrued rent of said property, or amount due said owner from said agent, and such tenant, occupant, or agent may recover the amount so paid from the owner, unless otherwise especially agreed upon.

Any expense incurred by the council as herein provided in the manner aforesaid, may be collected in the manner herein provided, notwithstanding the imposition of any other penalty or penalties upon any of the persons named herein, under any of the provisions of this act. The abatement or removal of any such nuisance by the council, at the expense of said city, as herein provided, shall be *prima facie* proof that the said notice to the owner, occupant, tenant, agent, or assignee, was given as herein prescribed.

Sec. 31. Taxation.

The council shall be governed in all respects in making estimates for and laying the annual levy or any additional levy or special levy for city purposes, by the general laws of the state in force at the time of making such estimates and laying

such levies relating to taxation for municipal purposes, except that they may include a poll tax of not exceeding one dollar each year upon each able bodied man therein, who is above the age of twenty-one years and not over fifty years of age, which poll tax shall be used exclusively for opening, improving, and maintainind roads, streets, and alleys of the city, and shall designate the same as the street taxes; and the said council may also impose such license tax upon dogs and other animals as they may deem proper, and collect the same from the owners of such animals, as other taxes are collected, and prescribe such rules, regulations and penalties governing the payment of such tax on animals as they may deem reasonable. And the general annual levy upon the taxable property within the corporate limits of said city shall not exceed the sum of fifty cents upon each one hundred dollars of valuation. But in addition to said levies above mentioned, and in addition to any levies provided by the general law, with which these are not meant to conflict, the council of said city, beginning with the year, of one thousand nine hundred and twenty-seven, are empowered to and shall lay a special annual levy of not to exceed fifteen cents on each one hundred dollars valuation of the property in said city for the purpose of creating a sinking fund with which to pay off the principal of the present outstanding bonded indebtedness of the City of Hinton, and the City of Avis, when the same becomes due, and for the purpose of paying annually, when due, the interest coupons of the said present outstanding bonded indebtedness of said city, which said special levy shall be continued annually by the council for as many years as may be necessary to pay off said outstanding bonded indebtedness, and the interest coupons that may become due thereon but no longer.

Sec. 32. Liens; delinquent taxes.

There shall be a lien on all real estate within said city for taxes assessed thereon, and for all fines and penalties assessed against or imposed upon the owners thereof, by the authorities

of said city, including expenses of making, maintaining and repairing, paving and macadamizing sidewalks, drains, gutters and streets from the time the same are so assessed or imposed, *which* shall have priority over all other liens except taxes due the United States, and the lien for the taxes due the state, county and district, and such lien may be enforced by the council in the manner provided by law for the enforcement for the lien of county taxes. And the laws of the state of West Virginia in relation to delinquent taxes, and the sale of **property** therfor, are **hereby, and** in all respects, adopted as to all proceedings in relation to taxes for city purposes delinquent in said city, including the recordation of the delinquent list in the county clerk's office of Summers county, each year. And the powers and duties conferred by the laws of said state upon county courts and their clerks and sheriffs in regard to delinquent taxes and their collection, are hereby in all things conferred upon said city council, its recorder and other city officials, whose duties are of a similar nature as those of said county officials, insofar as the same may be directed or by implication applicable in the collection of delinquent taxes due said city.

Sec. 33. Licenses.

The council shall prescribe by ordinance the time and manner in which licenses of all kinds shall be applied for and granted, and shall require the payment of the tax thereon to the city **manager** before the **delivery thereof** to **the** person ap**plying therefor, which tax shall** include the same fees for the issuing of such licenses as are charged for similar services by state and county officers, which fees shall be paid into the city treasury. The council may revoke any such license for the breach of any of the conditions, or for other good cause shown by the person holding such license, who mutt first have reasonable notice of the time, and place of hearing and adjudicating the matter, as well as the cause alleged, and shall be entitled to be heard in person by the council in opposition to such a

revocation. The term for which license provided for in this charter be granted shall be governed by the general law providing for state licenses.

Sec. 34. Condemnation.

The council shall have the right to institute and prosecute proceedings in the name of the city for condemnation of real estate for streets, alleys, roads, drains, sewers, market grounds, city prison, city hail, water works, electric light plant or other works, or purposes for public utility. Such proceedings shall conform to the provisions of chapter forty-two of the code of West Virginia,[Ta] and the expenses thereof shall be borne by the city, except in cases where it is proper under said chapter to charge said expenses or any part thereof against the defendant.

Sec. 35. Deposit and disbursement of funds.

All moneys belonging to the city shall be paid over to the city manager, as treasurer, each month, and be deposited in bank to the credit of said city, and shall not be disbursed except upon order of the council, and by drafts and orders issued by the city manager, and countersigned by the mayor.

Sec. 36. Audit.

The council may provide by ordinance for an audit of accounts, books and records of the city manager, or any officer of the city, whose duty it shall be to collect and pay over to the city manager any moneys, claims, demands or accounts due the city, at such time or times as it may deem necessary and proper so to do, and shall provide for the auditing of the accounts of the city manager upon his resignation or removal from office, or upon the election of a new city manager to take

[Sa] Chapter 54 of Michie's West Virginia Code of 1943.

his place. All such auditors or auditing committees shall be appointed by the council, but the council may adopt in lieu thereof any audit made by the state auditor, tax commissioner, or their respective representatives.

Sec. 37. Grading, construction, maintenance and repair of sidewalks, drains, gutters and streets without petition of owners of abutting property.

The council shall have power, without Petition of the owners of abutting property, to provide for the grading, construction, maintenance and repair of sidewalks, drains and gutters upon the streets of the city, and assess the expense of the construction, maintenance and repair of the same upon the property abutting thereon and the owners thereof, and collect the same in the same manner as other taxes and levies are collected, and shall have power without petition of the owners of abutting property, to grade macadamize and pave the streets of the said city, or any of them, and assess part of the expense of grading, macadamizing and paving not to exceed one-third thereof upon abuting property on each side thereof, and the owners thereof, and collect the same in the same manner as other taxes and levies are collected, and such assessments for sidewalks, drains, gutters, macadamizing and paving shall be a lien upon such abutting property, the same as other taxes and levies within said city upon the property therein. *Provided,* That nothing herein shall be construed to prevent the council from arranging for the construction of any such improvement, by agreement with the abutting property owners, if the council shall so desire and deem it advisable to do so.

Sec. 38. Construction, repair and maintenance of local improvements upon peti}ion of owners.

The city council shall have power, upon the petition in writing of the owners of the greater amount of frontage of the lots abutting on any street or alley, or between any two cross

streets, or alleys, to provide for the construction, reconstruc-
on, repairing and maintenance of all local improvements, in-
:luding the grading, paving, sewering and otherwise permanently improving of streets and alleys of the city, and to provide for the assessment of the cost thereof, including all incidental expenses and the cost of intersections of streets, with interest payable annually, against the abutting or other speciallly benefited properties, according to their frontage, on either side of such street or alley, and against the owners thereof, upon the following conditions:

(a) Plan and resolution: The city council, when deemed expedient by it, shall cause plans, specifications, profiles and estimates of the proposed improvements by grading, paving, curbing, sewering or otherwise locally imroving any streets or alleys, to be made and filed in the office of the city manager, and shall by ordinance and resolution prescribe generally the location and character of the proposed improvement and refer to such plans, specifications, profiles and estimates.

(b) Notice and Hearing: The city council shall then cause notice thereof to be published once in some newspaper published in said city, fixing the date for a hearing thereon not less than one week after the adoption of such resolution. At the date stated in such resolution and notice, or any adjourned meeting, the city council shall hear objections to the proposed improvements, profiles and estimates not extending to any other street or part of street, and may pass or adopt a resolution or ordinance providing for such improvement, by direct employment of labor or by contract with the lowest responsible bidder, and for the assessment of the costs thereof of against the abutting or specially benefited properties on each side of said street or alley.

(c) Assessment, Docketing and Payment: The city council shall by resolution or ordinance, levy the assessment of the approved estimate of the cost of such improvement, including incidental expenses and intersections, upon the abutting or other specially benefited properties and against the owners thereof, in proportion to the frontage of such properties, des-

ignating the same by numbers, names of owners or other convenient description; and shall also assess against any street car or other railway company the cost of the improvement of the space between the rails of its track or tracks, and two feet additional outside of each rail (unless otherwise provided in the franchise therefor) ; and which assessments shall be liens upon the respective properties and upon the tracks and franchises of such company, for the distance of the improvement thereon, and said liens shall have priority over all other liens except taxes due the state. The said assessment shall be payable fifteen days after the levying thereof, unless the owners of such properties may elect to pay the same in ten annual installments as hereinafter provided; and, within thirty days after the levying thereof, the city recorder shall cause a memorandum of all unpaid assessments to be made, showing the names of the owners of such properties, descriptions of the properties, and the amounts of the assessments, respectively, and shall file the same in the office of the clerk of the county court of Summers county, for record in the deed of trust books therein ; such assessments, after said period of thirty days and before recordation of such memoranda, shall not be liens as against purchasers of such property for value and without notice. Upon **payment thereof, releases shall** be executed and **recorded** in **the** manner **provided** by law.

(d) Collateral ***Bonds:*** The city **council shall** at the option of the owner or owners of such properties, permit payment of one-tenth of the amount assessed against them, respectively, within said fifteen days, and issue and sell its notes and bonds, without vote of the electors of the city, in anticipation of the payment of such special assessments in annual installments as follows: One-tenth of such amount with interest on said one-tenth, at six per cent *per annum,* payable annually, in one year from the date of the levying of such assessment, and a like one-tenth, with interest as aforesaid, at the expiration of *each* succeeding year until the whole amount shall have been paid.

(e) Method of Improvement: The city council shall, after levying and collecting assessments and issuing its notes and

bonds as aforesaid, proceed with such local improvements according to the said approved plans, specifications, profiles, nd shall pay the cost thereof out of the special assessment fund accruing from such payment and the sale of its notes and bonds. *Provided,* That the assessments against any such street car or other railway company shall be deducted from the cost to be paid by the owners of the abutting lots.

(f) Rebates or Further *Assessments:* Upon the completion of any improvement, any excess above the actual cost of the improvement shall be refunded to the owners of the properties on the basis on which assessed, and in the event of a deficit in the assessment fund, the city council may by ordinance lay supplementary assessment on the basis of actual cost of the improvement which shall be made and collected as provided in the case of the original assessments for the improvement.

(g) Gas and Water Lines: The city council, before making any such local improvements, shall compel any person, firm or corporation having gas, water, telephone, street car or other public utility equipment on, in or under such street or alley under franchise therefor, to be moved, renewed, lowered or raised, and the gas or water lines or connections to be extended from the mains to the abutting properties, as directed, within ten days after notice to do so; and shall also cause the owner of properties abutting on said street or alley to install sewer connections at their expense, within ten days after notice to do so; and if the same be not done within said time, the work may be done by the city, and the cost thereof, with a penalty of ten per cent of the cost assessed against the owners of such franchise and against the said properties, respectively, for which said connections are made, which assessments shall be liens and may be collected as other taxes.

(h) Damages and Other Improvements: Whenever any street or alley of the city, or any part thereof, shall have been graded, sewered, or otherwise permanently improved by order of the city council, pursuant to the authority conferred on them by this section, by providing for an assessment of a part

of the costs thereof, as provided by this section, against abutting property and the owners thereof, it shall not be within the power of the said city council to thus charge the said property or the owners thereof, with any part of the cost of re-grading, re-paving, re-sewering or again permanently improving such street or alley, until after fifteen years from the completion of such grading, paving, sewering or otherwise permanently improving thereof. The city council shall, by ordinance, provide for the protection, preservation and use of any such local improvements and shall prescribe fines and penalties for damages or injuries thereto, for which the person or company causing such injury shall be liable; and no owner or owners of abutting properties shall be compelled to pay subsequent special assessments for the reconstruction, repair and maintenance of any curb, pavement, sewer or other local improvements so injured or damaged by any other person or corporation in violation of such ordinance.

Sec. 39. Bond issues.

The council of the said city shall have the right to bond the said city for the purpose of re-locating, widening, grading and paving the said streets, or for other permanent improvements, or for the purpose of taking up, paying off or refunding any already outstanding city bonds or items of indebtedness, whenever the council thereof **may.** deem the same necessary; but the aggregate indebtedness of the said city for all purposes shall never at any time exceed five *per centum* of the assessed valuation of the taxable property therein according to the last assessment next preceding said date. The council of said city shall provide a fund for the payment of the interest annually on the said indebtedness so created, and to pay the principal thereof within and not exceeding thirty-four years; *provided,* that no debt shall be contracted hereunder, unless all questions connected with the same be first submitted to a vote of the qualified voters of said city, and have received three-fifths of all the votes cast for and against the same.

Sec. 40. Indebtedness prohibited:

The council of said city shall not, at any time, or for any purpose, create any indebtedness against the said city except as provided in the next preceding section, exceeding the available assets of the said city for the current year, and if the said council shall create such indebtedness or issue orders on the city for an amount exceeding the amount of money collected for that year for said city from all sources, and the amount of money then in the treasury appropriated, the members of said council shall be severally and jointly liable for the payment of the excess of such indebtedness or orders over the amont of money applicable thereto and the same may be recovered in any court having jurisdiction thereof. Any councilman violating the provisions of this section shall be deemed guilty of malfeasance in office and may be removed as such councilman in pursuance of section fifteen of this act. *Provided, however,* This shall not be applicable to such members who have voted against said excess ; and, *provided further,* that the vote of each member of the council shall be recorded.

Sec. 41. Duty of city to maintain streets and roads; relief from district road levies.

The said city shall construct, conduct and maintain its own roads and streets, and by reason thereof shall not be required to pay any district road levies for the construction and maintenance of roads outside the city limits.

Sec. 42. Franchises.

Franchises shall be granted by the council allowing to persons or corporations for a limited time, such occupancy of the streets as may be necessary for works of public utility and service such as steam railway tracks, street railway tracks, poles and trolley wires, telephone and telegraph poles, wires and subways and gas and steam pipe lines, water, water lines and pipes. But no such franchise shall hereafter be granted except under the following restrictions:

(a) No ordinance, granting any franchise for the use of the streets, alleys or public grounds of the town, or for any of the purposes of public utility above mentioned, or for any other purpose of like nature, shall be passed unless it shall have been first proposed in the council, and notice of the object, nature and extent of the franchise shall have been published at least thirty days by the applicant, in some newspaper of general circulation, in the City of Hinton, before being acted upon, and shall have received a vote of the majority of the members of the council at a regular meeting after said publication. The votes thereon shall be taken by the ayes and nays, and the same entered upon the journal.

(b) Every grant of any such franchise shall be for a limited period of time. If not limit be expressly provided in the grant, the franchise shall be valid for one year only. In no case shall a franchise be extended for a period exceeding fifty years.

(c) No grant of any such franchise shall be made without at the time of making it, providing that the grantee shall indemnify the city-against all damages caused by the construction of such work. All reasonable additional provisions and conditions may be made for the protection of the public from unnecessary damages or inconvenience by reason of such works and the operation thereof.

(d) No grant of franchise or the extension of, or an addition to, any line of such work, over any additional street or territory of the city, shall be made for a period extending beyond the time limit for the expiration of the franchise of the principal work of which it is an extension; and if the franchise of the principal company or work is one which was granted before this act goes into effect, and not Iimited as to time, the franchise granted for the extension or addition shall nevertheless be made subject to the conditions thereof, including a time limit of not exceeding fifty years. If a franchise be secured from the city by an individual or by an independent or a new company, and the work constructed thereunder afterwards becomes a part of it, or be operated as a part of a larger

work of the same kind whose franchise was previously obtained and is limited to expire earlier, such later franchise shall, by reason of such annexation merger, or single operation, expire simultaneously with such earlier franchise.

Sec. 43. Codification of ordinances.

The city council may adopt by ordinance, a code of laws and ordinances, which when adopted shall be printed in book form, or it may be adopted as a whole after it is printed, and said code shall be the law and ordinances of said city, and shall be received as such in all the courts of this state, and the Iaws, ordinances; franchises and rules when printed therein shall be *prima facie* proof of their correctness, until repealed, modified, changed, amended or added to.

Sec. 44. City of Hinton as successor to cities of Hinton and Avis, previously incorporated.

The City of Hinton, as herein incorporated, shall be construed to be, and is hereby made the successor of the *City* of Hinton, as chartered, incorporated and existing under chapter one hundred four of the Acts of one thousand eight hundred and ninety-seven,, as amended by chapter one hundred and twenty-one, of the Acts of One thousand nine. hundred and one, and by chapter fifteen of the Acts of one thousand nine hundred and fifteen, amending and re-enacting the charter of the City of Hinton, and successor of the City of **Avis, as chartered** and incorporated by chapter thirty-three of the Acts of one thousand nine hundred and twenty-five.

As such successor of the City of Hinton and the City of Avis, said City of Hinton shall be entitled to collect all claims, taxes, assessments, debts and demands due and owing to the said City of Hinton, or the said City of Avis at the time this act takes effect, and shall be and is hereby vested with title to all property, both real and personal, owned by the said City of Hinton and the City of Avis, jointly or severally, at the time this act takes effect.

And the said City of Hinton, as herein incorporated, shall be construed to be, and is hereby liable for the payment of all outstanding bonds of the said City of Hinton and of the said City of Avis, and all claims, debts and demands due and owing by either of said cities at the time this act takes effect. And the said City, as herein incorporated, shall be liable for and shall perform all of the obligations on the part of the said City of Hinton or the said City of Avis, as now existing, in any contract or franchise made by either of the said cities, and shall be entitled to receive and collect under such contracts, all moneys that may become due and payable to either of said cities, by virtue of such contracts, and shall enforce in favor of the citizens of the said City of Hinton, as herein incorporated, all provisions of any such contract or franchise , for the protection of, or use or benefit of any of the citizens of either of said cities, as incorporated at the time this act goes into effect, and all bonds, -franchises and contracts issued, granted or made by the said City of Hinton or the said City of Avis, under the authority of the charters of the said cities, or any former charters of said cities, shall be and is hereby made valid against the City of Hinton, as herein incorporated, and nothing contained in this act shall be construed to invalidate or make void any bonds, evidence of indebtedness, franchises or contracts heretofore issued, granted or made by the said City of Hinton, or the said City of Avis, or either of said cities prior to the time that this act shall take effect, or shall in any wise affect the validity or. enforcement of the same.

Sec. 45. Effect of Charter upon ordinances of cities of Hinton and Avis.

All ordinances heretofore passed by the council or board of affairs of the City of Hinton, and in effect at the time of the passage of this act, not inconsistent with the provisions of this act, shall remain in full force and effect throughout the territorial limits of the City of Hinton, as herein incorporated, and all ordinances of the City of Avis, and all ordinances of

the City of Hinton inconsistent with the provisions of this act, are hereby abrogated.

Sec. 46. Number and gender of nouns and pronouns.

All masculine nouns and pronouns referring to any officer of the City of Hinton, voter or other person, used in this act, shall be construed to be of common gender, and to include both male and female.

Sec. 47. Style of ordinance.

The style of any ordinance enacted by the council of said city, shall be "Be it ordained by The Council of the City of Hinton."

Sec. 48. Merger of cities of Hinton and Avis.

All officers of the City of Hinton, and all officers of the City of Avis, respectively, in office at the time of the **passage** of this act, shall remain in their respective offices until the mayor and the members of the city council for the City of Hinton herein provided for, shall be elected and qualified, whereupon the said officers of the City of Hinton and of the City of Avis shall turn over to the newly elected mayor and members of the council of said City of Hinton, elected under this act, all of the papers, records, property and effects of each of the said cities ; and the said two cities shall thereafter be merged into and governed under the charter of The City of Hinton provided by this act, along with the inhabitants of the additional territory included in the boundaries of the said City of Hinton, in section two of this act.

Sec. 49. Repeal of inconsistent acts.

All other acts and parts of acts coming within the purview of this act, and inconsistent herewith, are hereby repealed.

THE CITY OF HINTON

RESOLUTION ON OPEN GOVERNMENTAL PROCEEDINGS RULES

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of The City of Hinton does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

1. Regular Meetings. A notice shall be posted and maintained by the Recorder at the front door or bulletin board of the City Hall of the date, time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the Recorder not less than 72 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.

2. Special Meetings. A notice shall be posted by the Recorder at the front door or bulletin board of the City Hall not less than 72 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is canceled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.

These rules regarding notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted the 16th day of March, 2004.

The City of Hinton, County of Summers, to-wit:

I, _ Cri_ - I9Qado k ___ having been duly SW
to the office of C i t i cir, t Y ^Re(c,a/Qf..dQ solemnly swear that
I will support the Constitution of the United States and
the Constitution of this State, and I will truly and
faithfully perform all the duties of said office, during my
continuance therein he b st of my skill and judgment,
so help me God.

Subscribed and sworn to before the undersigned
Of said County, this ___ S4-k day of WC& .z o 3

Signature cy M Cales

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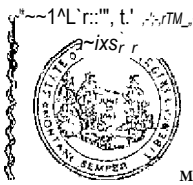
Date



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'The City of Winton, County of Summers, to-wit:

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to the office of-- „-„-= _f'-1ct- e - o,2V'"-__- - - - - - - - - - -

- - - - - - - ._..__. - - - - - - - - - - - - - - - - -do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned_ _ _ -

of said County, this - - - - - - - - - day of__ – _K ~ - - - - - - - - - - - - - - - I9___-

— S _____ ,.. _..,. r..... _ _ _ a,,,

the eity of Hinton, Bounty of Summers, to-wit:

I, James P. Dolan having been duly sworn

to the office of City Council for the City of Hinton, W.V.

do solemnly swear that 1 will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned.. cam:

o f said County, this 3.G day of 19.

[illegible]

`The ~fty of Winton, County of Sumntiers, to-wit:

I, - having been duly __..lected__
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to the o Gity_ Council_ _for _the City_ of _znton, West Virginia

- - - - - - - - - - - - - - - - - solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me God,

Subscribed and sworn to before the undersigned Magistrate _l. iv . Jeffries, Jr.

of said County, this___ 24th_-- dayoE -_ Ju ____________ 001

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J.W. Jeff 1es, Jr. ief Magistrate, Summers Co.

·The OE), *of* Winton, *fount of* Summers, to-wit:

I, Bobby having been duly -- `°-iP-C °`----

to the office of _ -- ~ DU ' - - - -fur__ --- Ty. of Winton ---

CO-& _ _ [Z :,_ 1?U_! - - - -do solemnly swear **that** I will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned

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of said County, this__ _ . _~,_ 8 _ day oE

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'The City *of* '3-efnton, Count of mummers, to-wit:

U.K. Stan.__having been duly___5~_0j\

to the office of-__ _=_-1.~tlet4C 1 "__ __?_i__1

do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgmerit, so help me God.

Subscribed and sworn to before the undersigned C J ua~

of said County, this - - - - - - - - - dayof._J t+ h *add f*

Robt. A. Shown, Circuit Judge

CHAPTER 20. SEWERS AND SEWAGE DISPOSAL

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Article I. Generally

Sec. 1. Definitions.

For the purposes of this Chapter. the following terms shall have the meanings respectfully ascribed to them by this section:

(a) Biochemical oxygen demand (BOD): The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in 5 days at 20 degrees centigrade expressed in milligrams per liter.

(b) Building drain: That part of the lowest horizontal piping of a drainage system which receives the waste discharge from other drainage pipes inside the walls of the building and conveys it to the building sewer, which begins 5 feet (1.5 meters) outside the inner face of the building wall.

(c) Building sewer: The extension from the building drain to the public sewer or other place of disposal, also called house connection.

(d) Combined sewer: A sewer intended to receive both wastewater and storm or surface water.

(e) Easement: An acquired legal right for the specific use of land owned by others.

(f) Floatable oil: Oil. fat or grease in a physical state such that it will separate by gravity from wastewater by treatment in an approved pretreatment facility. A wastewater shall be considered free of floatable fat if it is properly pretreated and the wastewater does not interfere with the collection system.

(g) Garbage: The animal and vegetable waste resulting from the handling, preparation, cooking and serving of foods.

(h) Industrial wastes: The wastewater from industrial processes trade or business as distinct from domestic or sanitary wastes.

(i) Major contributing industry: An industrial user whose flow exceeds 50,000 gallons per day or whose known 5 day biochemical oxygen demand or concentration of suspended solids exceeds 220 milligrams per liter of the effluent discharge by such user into sanitary board system.

(j) Minor contributing industry: An industrial user which is not a major industrial user.

(k) Natural outlet: Any outlet, including storm sewers and combined sewer overflows, into a watercourse, pond, ditch, lake or other body of surface or ground water.

(1) pH: The negative logarithm of the reciprocal of the hydrogen ion concentration. The hydrogen ion concentration shall be measured by an acceptable pH meter. Neutral water, for example. has a pH value of 7.0; values higher than 7.0 denote increasing alkalinity; and values lower than 7.0 indicate increasing acidity of hydrogen ions.

(m) Properly shredded garbage: The wastes from the preparation, cooking and dispensing of food that have been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing

in public sewers. with no particle greater than 1/2 inch (1.27 centimeters) in any dimension.

(n) Public sewer: A common sewer controlled by a governmental agency or public utility, including the City Sanitary Board.

(0) Sanitary Board: The Sanitary Board of the City established pursuant to Article 13 of Chapter 16 of the West Virginia Code.

(p) Sanitary sewer: A sewer that carries liquid and water carried wastes from residences, commercial buildings, industrial plants and institutions, together with minor quantities of ground, storm and surface waters that are not admitted intentionally.

(q) Sewage: The spent water of the community. The preferred term is wastewater.

(r) Sewer: A pipe or conduit that carries wastewater or drainage water.

(s) Sludge: Any discharge of water or wastewater which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes more than 5 times the average 24 hour concentration or flows during normal operation and which shall **adversely** affect the collection system and/or performance of the wastewater treatment works.

(t) Store drain: (sometimes termed "storm sewer"): A drain or sewer for conveying water, groundwater, subsurface water, or unpolluted water From any source.

(u) Superintendent: The superintendent of wastewater facilities, and/or of wastewater treatment works, and/or of water pollution control by the City, or such superintendent's authorized deputy, agent. or **representative**, designated as provided by Section 10.

(v) Suspended solids: total **suspended** matter that **either** floats on the surface of, or is in suspension in. water, **wastewater.** or other liquids. and that is removable by laboratory filtering as prescribed in "Standard Methods for Examination of Water and Wastewater," and referred to as nonfilterable residue.

(w) Unpolluted water: Water **of quality equal** to **or** better than the effluent criteria in effect or water that would not cause violation of receiving **water quality standards and** would not **be benefited by discharge** to the **sanitary** sewers and **wastewater** treatment facilities **provided.**

(x) Wastewater: The spent water of a community. From **the** standpoint of source, it **may** be **a combination** of **the liquid** and **water-carried** wastes from residence, **commercial** buildings, industrial plants and institutions, together with any ground water, surface water, and storm water that may be present.

(y) Wastewater facilities: The structures, equipment and processes **required** to collect, carry **away, and** treat domestic and **industrial** wastes and **dispose of the effluent.**

(z) Wastewater treatment works: An **arrangement** of **devices** and structures for treating **wastewater.** industrial wastes. and sludge. sometimes used as **synonymous** with "waste treatment **plans**" or "wastewater treatment plants" or "water pollution control plants."

(aa) Watercourse: A natural or artificial channel for the **passage** of water, either continuously or intermittently.

Sec. 2. Rules of **Public Service Commission Apply.**

In **addition** to the **rules and regulations** promulgated in this Chapter, and the rules and **regulations** for sewer utilities prescribed by the Public Service Commission of the State apply to the operation and services of the sewer system of the City.

Sec. 3. City not Liable for Damage.

The City' shall not be liable to any customer as such for any damage resulting from bursting or breakage of any line, main, pipe, valve, equipment or part of from discontinuance of the operation of any part of the system or from failure of any part thereof for any cause whatsoever.

Sec. 4. Penalty: Liability in Damages for Negligence.

(a) whoever violates any provision of this Chapter shall, upon conviction. unless otherwise specified. be punished as provided by State Code and each day's continued violation or failure to comply with the provisions of this Article shall constitute a separate offense.

(b) In addition to any penalty imposed under this Chapter, violators shall be liable to the City for any damage to the sewer system or damage caused by reason of their negligence.

(c) It shall be the responsibility of the Sanitary Board to determine violators of this Chapter and any resulting fine or judgment for damages shall be a lien on the property so found in violation.

Article II. Sanitary Board

Sec. 5. Established; Composition; Eligibility of City Officers and Employees; Bond of Members.

Pursuant to the Code of West Virginia, Section 18-13-18. there is hereby established the Sanitary Board of the City, which shall be composed of the Mayor and 2 persons appointed by the Council. Other than the Mayor, no officer or employee of the City, whether holding a paid or unpaid office, shall be eligible to appointment on the Sanitary Board until at least 1 year after the expiration of the term of such person's public office. No bond shall be required of the members of the Sanitary Board except the Treasurer, if the Treasurer is a member, in which case such Treasurer shall be bonded as provided in this Division.

Sec. 6. Bond of Treasurer.

The Treasurer of the Sanitary Board shall give a bond in the sum of $25,000 conditioned upon the faithful performance of the duties as such Treasurer and the faithful accounting for all moneys which may come into such Treasurer's hands as such Treasurer, and otherwise conditioned as required by law; with surety to be approved by the Council.

Sec. 7. Term of Members: Vacancies.

Members of the Sanitary Board who are appointed by the Council shall serve for a term of 3 years and until their successors are duly appointed and qualified. Vacancies shall be filled by the Council for any unexpired term which may occur, in the same manner as the original appointment. By the month of June, 1989, and every 3 years thereafter, I member shall be appointed: and by the month of June, 1989, and every 3 years thereafter, 1 member shall be appointed. Members so appointed shall take office on the 1st day of July next succeeding their appointment.

Sec. 8_ Officers.

The Mayor shall act as Chairman of the Sanitary Board, which shall elect a Vice Chairman from its members. The Sanitary Board shall also designate a Secretary and a Treasurer (but the Secretary and the Treasurer may be one and the same). either of whom may or may not be a member of the Sanitary Board. The Vice-Chairman. Secretary and Treasurer shall hold office as such during the will and pleasure of the Sanitary Board.

Sec. 9. Cashier; Collection and Deposit of Funds; Liability Upon Official Bonds; Additional Duties of Recorder-Treasurer.

The Office Manager of the Sanitary Board shall perform the duties of cashier for the Sanitary Board, and as such shall receive and be responsible for all collections for all moneys legally or properly collectible by the Sanitary Board, and shall deposit them in the appropriate accounts in the

respective banks designated as depositories for funds of the City. The Recorder-Treasurer shall be liable under such officer's official bond as Recorder-Treasurer for all such collections: but this shall not be taken and considered as relieving the Treasurer of the Sanitary Board for any liability upon such Treasurer's official bond as such. The Recorder-Treasurer shall perform such other duties in connection with the operation of the office of the Sanitary Board as the Sanitary Board or its Chairman may from time to time require.

Sec. 10. Superintendent and Purchasing Agent.

The Sanitary Board shall designate a Superintendent who shall hold office as such during the will and pleasure of the Sanitary Board and whose duties shall consist of supervision of all other employees of the Board other than its officers, and supervision over all new construction authorized by the Board and all maintenance of existing facilities. The Superintendent shall also act as Purchasing Agent for the Sanitary Board. but such Superintendent's duties shall in no way include any duties set up in Section 9.

Sec. 11. Salaries of Officers and Members as Fixed.

The Council shall establish and may at its will and pleasure change the amount of the salary of the members of the Sanitary Board, or any one or more of its officers, except that it may not change the salary of a member during his or her term of office.

Sec. 12. Powers. Duties, Limitations thereon: Obligation and Expenditure of Funds: Employees.

(a) The Sanitary Board shall have the supervision and control: of the custody, administration, operation and maintenance of all works for the collection and treatment oC sewage which are now owned or may hereafter be acquired by the City. The Sanitary Board shall have power to take all steps and proceedings and to make and enter into all contracts or agreements necessary or incidental to the performance of its duties and the execution of powers granted to such Sanitary Board under and by virtue of the Code of West Virginia. Chapter 16, Article 13. and shall be subject to all restrictions and limitations contained therein as well.

(b) The Sanitary Board may employ engineers, architects, inspectors. superintendents, a manager, collectors, attorneys and such other employees as in its judgment may be necessary in the execution of its powers and duties. and may fix their compensation. all of whom shall do such work as the board shall direct. All such compensation and all expenses incurred in carrying out the provisions of Article 13. Chapter 16 of the Code of West Virginia shall be paid solely from funds provided under the authority of that Article, and the Sanitary Board shall not exercise or carry out any authority or power given it so as to bind the Board or the City beyond the extent to which money shall have been or may be provided under the authority of the aforesaid Article 13.

Sec. 13. Construction, etc.. of Works: Management of Works; Authority to Promulgate Rules and Regulations.

The construction. acquisition. improvement, equipment. custody, operation and maintenance of any works for the collection, treatment or disposal of sewage and the collection of revenues therefrom for the service rendered thereby shall be under the supervision and control of the Sanitary Board.• After the construction, installation and completion of the works, the Sanitary Board shall operate, manage and control such works and may order and complete any extensions, betterments and improvements of and to the works that the Board may deem expedient if funds therefor be available as provided by law. and shall establish rules and regulations for the use and operation of the works and of other sewers and drains connected therewith so far as they may affect the operation 6f such works, and do all things necessary or expedient for the successful operation thereof-

Sec. 14. Advertisement for Bids: Acceptance and Rejection of Bids.

No contract or agreement with any contractor for labor or material exceeding in the amount the sum of $1.000 shall be made without advertising for bids, which shall be publicly opened and award made to the best bidder, with power in the Sanitary Board to reject any and all bids.

Sec. 15. Sanitary Board Revenue Account.

There is created a fund to be designated as "City of Hinton Sanitary Board Revenue Account", into which shall be placed and deposited all funds derived from rates or charges for service to the users of the system under and by virtue of this Chapter. as well as all miscellaneous receipts from whatever source derived. All expenses of maintenance and operation of the system or works, including the salaries of all officers and employees of the Sanitary Board as such, shall be paid out of the fund, and the Sanitary Board may from time to time spend out of such funds so much thereof as it may deem proper for new construction and extensions of the sewer system or works; and the Sanitary Board shall from time to time make transfers from this fund to the fund designated as "City of Hinton Sewage Bond Interest and Redemption Fund", as established in this Chapter.

Sec. 16. Sewage Bond Interest and Redemption Fund -- Continued; Purpose; Transfers to any Payments from; Required Balance.

The fund, designated as "City of Hinton Sewage Bond Interest and Redemption Fund," is continued in existence. No payments shall be made from this fund except payments upon the interest of the sewer revenue bonds heretofore issued by the City,and for the retirement of those bonds, or for the purchase of such bonds for retirement in advance of the time of their maturity. Transfers may be made from other funds under the supervision and control of the Sanitary Board to this fund, which shall be made and kept to not less than the full amount required by law and by the ordinance authorizing and directing the issuance of said sewage revenue bonds.

Sec. 17. Sanitary Board Depreciation Fund.

There is created a fund to be designated Depreciation Fund into which there shall next be set apart and paid from the Sewer Revenue Fund each month. after making the payments hereinbefore specified into the operation and maintenance fund and the sewer revenue bond and sinking fund as set forth and required by the ordinance authorizing and directing the issuance of said sewer revenue bonds.

Sec. 18. Sanitary Board Reserve Fund.

There is created a fund to be designated Reserve Fund. Withdrawals and disbursements shall be made from the Reserve Fund to meet any deficiencies in the various special funds hereinbefore provided and if there are no such deficiencies in the various special funds hereinbefore provided and there are no such deficiencies then withdrawals and disbursements may be made from the Reserve Fund for the purchase or retirement prior to maturity of bonds issued by the City for account of said sewage system or for any other lawful purpose relating to the sewage system of the City.

Sec. 19. Same -- Method of Making Payments Therefore.

No payment shall be made from the Sewage Bond Interest and Redemption Fund unless authorization shall be made for such payment by the Sanitary Board by an order made at a regular or special meeting and entered upon the minute book thereof: and unless made by a check or draft issued upon such fund, signed by the Mayor as Chairman of the Sanitary Board, and if the Mayor shall be Treasurer thereof, also as Treasurer, and signed by the Treasurer of the Sanitary Board if the Treasurer be other than the Mayor, and countersigned by the Office Manager of the Sanitary Board of the City as such.

Sec. 20. Funds of Board are City Funds: Deposit of Funds.

All of the funds under the supervision and control of the Sanitary Board shall be taken and considered as funds of the City. and shall be deposited in the respective funds designated in this Chapter. in such banks in the City as shall qualify from time to time as depository banks of the City.

Article III. Rates and Charges

Sec. 21. Schedules for Service Inside City.

(a) Monthly rates: There is established a schedule of just and equitable rates or charges, exclusive of industrial waste charges, for the use of, and service rendered by, the municipal sewer system which shall be paid by the owner of each lot, parcel of real estate or building connected with or using such sewer system. Sewer charges, based upon water consumption shall be as follows:

For each 100 gallons of usage, the rate is $ .25
or
For each 1,000 gallons of usage, the rate is $2.50

The minimum monthly charge is $5.50

(b) Multiple Occupancy: In apartment buildings, shopping centers, mobile homes, mobile home courts, or other multiple occupancy situations, each unit shall be required to pay not less than the minimum monthly charge.

(c) Unmetered Users Residential: In locations where the customer has no water meter, charges for sewer service shall be **based** upon 1,000gallons for each occupant per month, but not less than the minimum monthly rate.

(d) Sewer Connection Charges: The sewer connection fee will be $150 or the actual cost of the connection if **higher than** $150. Such **actxa.1** costs will include **payroll, materials and machine** time.

(e) Classification of Users: All users are to be classified by the Sanitary Board or its duly authorized representative either by assigning each one a "user classification" category according to the principal activity conducted on the user's premises. by the individual user analyzation, or by a combination thereof. The 2 user classifications shall be:

1) **For residential and commercial service and**
2) **For service to establishments producing industrial wastes.**

The purpose of such collective and/or individual classification is to facilitate the regulation of **wastewater discharges based on** wastewater constituents **and characteristics to provide an effective means of source control. and to establish a system of** charges **and fees** which will insure **an** equitable **recovery of the Sanitary Board's cost.**

(f) Industrial User Charge: All establishments producing industrial wastes shall pay charges determined as provided in of this Chapter.

(g) Delinquency Penalty: On all accounts, not paid in full within 20 days of the billing date, the penalty of 10 per cent will be added to the net amount shown.

Sec. 22. Rates Outside the City.

The rates set forth **in** this **Chapter shall apply to all** users of the **municipal sewer** system within **the** City, **and** the rates or charges for all users **of the sewers located outside** the City **whose** premises are connected with the **interceptor lines** of **the** system, or **otherwise**, shall be the same as **the** rates **provided** in such Section, unless otherwise provided.

Sec. 23. Industrial Waste Cost **Recovery Charge Formula.**

All users **heretofore classified by the Sanitary Board as** producing industrial wastes, shall **pay** an industrial user's industrial cost recovery **charge** for the treatment of **industrial** waste which **shall be** calculated on the **basis** of the following formula:

CieVoVi+BoBi+SoSi

Ci = Charge to industrial users per year.

Vo = Average unit cost of transport and treatment chargeable to volume, in dollars per gallon.
Vi = Volume of wastewater from industrial users in gallons per year.
Bo - Average unit cost of treatment, chargeable to biochemical oxygen demand (BOD), in dollars per pound.
Bi = Weight of BOD from industrial users in pounds per year.
So = Average unit cost of treatment (including sludge treatment) chargeable to total solids in dollars per pounds.
Si = Weight of total solids from industrial users in pounds per year.

Sec. 24. Charges Constitute Liens; Enforcement of Liens: Attorney Fees.

All rates or charges imposed by this Chapter, shall, as provided by law, constitute a lien upon the premises served by the sewer works of this City. If any such service rate or charge shall not be paid within 30 days after due, the Sanitary Board shall proceed to collect the amount thereof, together with the penalty of 10 per cent hereinbefore provided for in this Chapter. and a reasonable attorney's fee in a civil action in the name of the City, and in connection with such action such lien may be foreclosed against such lot, parcel of land and building, in accordance with the laws relating thereto.

Sec. 25. Free Service Prohibited.

The City 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 City or any Department, Agency. Officer or Employee thereof should avail itself of the services or facilities of the system, the same fees, rates and charges applicable to other customers receiving like service 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.

Article IV. Connections.

Sec. 26. Use of Sewer Facilities Mandatory -- General: Failure to Connect Deemed Public Nuisances; Illegal Dumping of Sewage: Privy Prohibition.

(a) The mandatory use of the sewage collection facilities is essential and necessary for the protection and preservation of the public health, comfort. safety, convenience and welfare and the economy of the inhabitants of the City and in order to assure the rendering harmless sewage and waterborne waste matter produced or arising with the territory served by the sewer facilities. Accordingly, every owner, tenant and occupant of every lot, parcel and tract of land which abuts on a street, alley or other public way in which any sewer line, main or facility is located, or which is located within a reasonable distance thereof, not exceeding 300 feet. and reasonably accessible thereto, and upon which lot, parcel or-tract a building or other habitable structure has been or shall be erected for residential, commercial or industrial use. shall connect the waste or sewage lines of such building or structure with the sewer facilities of the system immediately upon completion of the sewer project if sewage will flow by gravity from such building or structure into such sewer facilities, and shall cease to use any other method for the disposal of sewage or water-borne waste matter and shall pay all charges, fees and rates as provided herein.

(b) Any such building or structure from which emanates sewage or water-borne waster matter and not so connected with the system is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the City and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in the Circuit Court of the County or other court of competent jurisdiction.

(c) No person shall dump any sewage into streets or public grounds of the City, nor in or upon any private grounds or premises so that such sewage shall or may become unsanitary or dangerous to the health of any person. No person shall maintain any privy on any property in the City that is within 300 feet of a public sewer.

Sec. 27. Same -- Authority and Procedure to Compel Properties to be Connected.

The Council may require the owner of any property abutting upon any street in which a public sewer belonging to the City has been laid or placed. to connect a sewer leading from such person's property or lot into such public sewer at the nearest practicable point of connection, provided such owner has erected or constructed a building or other improvement on such property or lot, and provided such nearest point of connection shall be within 300 feet of such person's property line. If the Council shall require such owner to make such connection. it shall require at least 10 days notice to be served upon such owner, ordering such owner to make such connection, but such owner although so required. shall not be authorized to make such connection until such owner shall have first obtained a written permit to make such connection in accordance with this division. If the owner of such lot or property thereupon fails or refuses to apply for and obtain such written permit, or after having obtained such permit fails or refuses to make such connection in accordance with this Chapter, after having been given such notice, the Council may thereupon enter upon such lot and construct such sewer and may levy the actual cost thereof, including the tapping fee therefor, against the lot upon which the building or other improvement is built and collect such costs and fee from the owner of such lot in the same manner as City taxes are collected and as provided in the City Charter.

Sec. 28 Permit -- Required to Tap or Connect to Public Sewers; Definition of Person.

(a) No person shall tap or connect a private sewer with any public sewer of the City, whether lying within or without the corporate limits, without first paying a tapping fee.

(b) The word "person" as used in this Section and Section 28; shall include the person performing the act therein prohibited and any contractor. subcontractor or manager or foreman directing such work to be done if the contractor or subcontractor is a corporation; and the owner who authorizes such work to be done, or. if the owner or one of the owners is a corporation, the office thereof directing such work to be done.

Sec. 29. Same -- Required to Tap or Connect to Private Sewer connected to Public Sewer.

(a) Where there is a private drain or sewer connected with a public sewer of the City, whether within or without the corporate limits, no person shall connect therewith another private drain or sewer which serves or is to serve any building or other improvement, without first paying the tapping fee and obtaining the issuance of a written permit to do so, for each building or other improvement so connected thereto, as provided in this Chapter.

(b) If such private sewer or drain, already connected with the public sewer, shall serve or shall have served a building or other improvement which has been partially or wholly destroyed by fire, or which is partially or wholly dismantled or torn down preparatory to the erection of a new building or improvement, or which is being remodeled or improved: before such remodeling or improving and thereafter, no person shall connect with such private drain or sewer, (already connected with a public sewer) any such building or improvement, without first obtaining the issuance of a written permit to do so provided in this Article and without first paying the tapping fee (if any) therefor.

(c) Upon the payment of the tapping fee therefor, the Office Manager of the Sanitary Board of the City of Hinton shall credit the tapping fee paid for the connection of the previous building or other improvement so partially or wholly destroyed by fire, or dismantled or town down, or remodeled as aforesaid. Unless the applicant for such new written permit shall furnish the Office Manager of the Sanitary Board of the City of Hinton with documentary proof that such former tapping fee paid was for a different amount, exactly specified in such documentary proof, the credit so allowed upon such tapping fee shall conclusively be presumed to be $25.

Sec. 30. Same -- Issuance Upon Application and Payment of Fee: Separate Permit and Fee Required for Each Improvement; Garages; Expiration.

(a) The Office Manager of the Sanitary Board of the City shall. upon application and upon the payment in cash of the proper tapping fee as set

forth in this Chapter. issue to such applicant a written permit to tap or connect. either directly or indirectly. to the public sewers of the City a private drain or sewer from any building or other improvement. A separate written permit shall be issued and a separate fee shall be paid for each building or other improvement. so connected directly or indirectly with such public sewer.

(b) Any building or improvement not constituting an integral part of another building or improvement, although appurtenant thereto. whether located on the same or another lot, shall be considered a separate building or improvement for the purposes of this Chapter. requiring a separate permit and the payment of a separate fee. A garage apartment shall be considered such a separate building or improvement.

(c) A permit properly issued pursuant to this Chapter to tap or connect to a public sewer, unless revoked, shall be an authorization to the holder thereof to make the connection therein described within 1 year from the date of issuance thereof. but after the end of such year all rights of the holder to make such connection shall cease.

Sec. 31. Same -- Misrepresentation of Cost of Building, etc.. to be Connected to Public Sewer.

No person shall knowingly or fraudulently misrepresent to the Recorder-Treasurer the actual construction cost of any building or other improvement to be connected, directly or indirectly, to any public sewer of the City, nor obtain a written permit to connect such building or other improvements by virtue of such misrepresentation.

Sec. 32. Construction of New Lateral or Extension Line -- Authorized; Determination of Fee.

The Sanitary Board may, by order duly entered on its records, determine that the proposed construction of an extension or lateral line of the public sewers of the City, whether within or without the City, will entail a cost beyond the revenues to be derived from fees for tap-ins made along such extension and in such case the Sanitary Board may determine a special schedule of fees for tappings to be made along such extension or lateral line by order entered of record. After such special schedule of fees shall have been determined, if a majority of the owners of buildings or other improvements to be served thereby shall nevertheless file a written petition with the Sanitary Board containing such special schedule of fees and petitioning the Board to make such extension and charge such schedule of fees, then the Sanitary Board may make such extension, and all tapping permits to such extension, or lateral line issued in accordance with this Article shall, as a prerequisite to the issuance thereof, require the payment of the tapping fee in accordance with such special schedule.

Sec. 33. Same -- How Advancements for New Construction Made, Recorded and Repaid.

(a) If any person shall desire that a lateral or extension be made of a public sewer line belonging to the City, located in or out of the corporate limits, and if the Sanitary Board shall be of the opinion that funds cannot be spared for the building or extension of such line, the Sanitary Board is authorized in its discretion to enter into a written contract on behalf of the City with such person, whereby a part of all of the cost of constructing such extension or lateral line shall be advanced to the City without interest by such person, with the understanding and agreement that such funds advanced shall be repaid without interest from time to time to such person out of tapping fees in accordance with the general schedule of fees for tapping at such time in force, received from tappings or connections with such extension or lateral line from time to time, until such advancement to be repaid in full, but without interest. Such agreement to be effective shall be in writing, shall be submitted to and approved by the City Solicitor and the council, and spread upon the record book of the Council at the time of such approval; and upon approval being given, the Mayor shall execute such agreement on behalf of the City. When the agreement is made, as aforesaid, the Office Manager of the City shall enter an account upon a ledger book of the City. which account shall shown the persons making such an advance and shall describe the extension or lateral line constructed with reasonable accuracy: and the amount advanced, together with the repayments thereon, from time to time, shall be en-

tered on such account. Such ledger accounts shall all be kept in a separate ledger book maintained for that purpose.

(b) Such contract may. in the discretion of the Sanitary Board. provide that such advancement shall be repaid only out of fees received from the advancement maker alone, for tapping permits along such extension or lateral line, or in the discretion of the Sanitary Board, from fees received from the advancement maker for tappings made on any of the City sewers; but in either case no money shall actually be exchanged when a permit is issued to the advancement maker. but credit shall be made on the ledger, and the permit shall state that the "fee herefor has been immediately returned to grantee hereof upon a contract of reimbursement for advancement, without deposit in City funds."

(c) No contract for the future issuance of a sewer permit shall hereafter be made, and no contract for repayment of an advancement made hereafter shall be valid unless strictly in accordance with the terms of this ordinance.

Sec. 34. Collection of Tapping Fees.

In addition to the collection of the penalties for violating any of the provisions or requirements of this Chapter, the City may. in a civil action. collect the amount of tapping fees due the City prescribed in this Chapter in case such person shall, without the written permit specified, make any of the connections described in this Article, and may in a civil action recover any additional amount due to the City under this Article after such amount shall have been determined by the Sanitary Board.

Sec. 35. Procedure required for Tapping; Compliance Mandatory.

The holder of a tapping permit shall apply to the Sanitary Board or any authorized employee thereof for the tapping to be made, and the Sanitary Board, through its authorized employees, shall proceed to make the tapping or connection desire, and the employee making this tapping or connection shall sign such person's name to the owner's copy of the sewer permit issued by the Office Manager of the Sanitary Board of the City and to the copy furnished by the Office Manager of the Sanitary Board of the City as a work order at the time the tapping or connection is to be made, and shall return the copy furnished by the Office Manager of the Sanitary Board of the City as a work order to the office of the Office Manager of the Sanitary Board of the City immediately after completing the tapping or connection. It shall be unlawful for any tap or connection to be made by an person in any manner except as provided in this section.

Sec. 36. Disconnection of illegal taps.

If any person shall, without first obtaining a permit as provided in this Chapter, tap or connect a private drain, sewer or building, either directly or indirectly, or violate any provision of this Chapter, the Sanitary Board may, in addition to the other penalties or remedies herein provided for. disconnect such drain. sewer or building.

Article V. Use of Sewers

Sec. 37. Right of City to Restrict Use of System During Emergency.

In case of emergency, the City 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 City.

Sec. 38. Willful or Negligent Damage to Sewers, Appurtenances. Etc. Prohibited: Restoration by Offender.

(a) It shall be unlawful for any person willfully or negligently to damage, deface, mar, take away or destroy any part. portion, section or appurtenance of any public sewer or the sewer system or sewage disposal plant of the City, including sewer lines. sections, joints or connections of a sewer line, manhole, or any pert of appurtenance of a manhole or a sewer line, water line to or from a sewage disposal plant. or any structure, building. improvement or appurtenance thereto or constituting a part thereof, and including all

tools, appliancs. equipment or fixtures used in connection with such disposal plant. whether located within or without the City.

(b) If any person shall willfully, negligently or otherwise damage, deface. mar, take away or destroy any part, portion, section or appurtenance of any public sewer or the sewer system or sewage disposal plant of the City. including sewer lines, sections, joints, or connections of a sewer line, manhole, or any part or appurtenance of a manhold or a sewer line, water line to or from a sewage disposal plant, or any structure, building, improvement or appurtenance thereto or constituting a part thereof, and including all tools. appliances, equipment or fixtures used in connection with such disposal plant, whether the same be located within or without the City, such person shall at once repair. return, restore or replace the same in the same condition as before.

Sec. 39. Same -- Duty of Offender to Notify City Officers.

Any person who shall, whether willfully, negligently or otherwise, damage, deface, mar, take away or destroy any part. portion, section or appurtenance of any public sewer or the sewer system or sewage disposal plant of the City, including sewer lines, manhole, or any part or appurtenance of a manhold or a sewer line, water line to or from a sewage disposal plant, or any structure, building, improvement or appurtenance thereto or constituting a part thereof, and including all tools, appliances, equipment or fixtures used in connection with such disposal plant, whether the same be located within or without the City, shall immediately notify the Mayor or Office Manager of the Sanitary Board of the City or the City Manager, of the nature and full extent of such damage or destruction.

Sec. 40. Trespassing at Disposal Plants.

No person shall trespass upon the enclosure or grounds of sewage disposal plants of the City.

Sec. 41. Causing Vile Odors to Escape from Sewers.

No person shall remove any sink, basin, stationary tub, commode or other sanitary equipment connected in any manner with any public sewer in the City. so as to allow to escape from such public sewer, or any connection therewith. vile odors, gases or sewer gas to the annoyance, injury or inconvenience of any person in the City.

Sec. 42_ Substances Prohibited in Sanitary Sewers -- Generally.

No person shall wash, throw or place. or cause to be washed, thrown or placed in any sanitary sewer of the City, on in any private connection, opening or leading thereto, any storm water, ground water, roof run-off, subsurface drainage, surface or drain water, or any sand, mud or soil, rags, waste, oil, grease. gasoline, kerosene or other petroleum based substance, or other matter or *substance* other than ordinary sewage or any of the substances. materials, waters or wastes as provided in Section 43 following.

Sec. 43. Same -- Prohibited Discharges Enumerated.

No person shall discharge or cause to be discharged to any public sewer any of the following described substances, materials, waters or wastes:

(a) any liquid or vapor having a temperature higher than 150 degrees Fahrenheit (65 degrees celsius).

(b) Any water or wastes which contain grease or oil or other substance that will solidify or become discernibly viscous at temperatures between 32 degrees to 150 degrees Fahrenheit.

(c) Any waste or wastes containing emulsified oil or grease exceeding, on analysis. an average of 10 parts per 1.000,000 (83.3 pounds per 1,000,000 gallons} of either soluble matter.

Note: The poundage permitted per day from any establishment may be subsequently limited depending upon soluble content of the sewage delivered to the wastewater treatment works.

(d) Any gasoline, benzene, naphtha, fuel oil. mineral oil or other flammable or explosive liquid. "solid or gas".

(e) Any water or wastes that contain more than 10 parts per 1.000,000 by weight of the following gases: hydrogen sulfide, sulphur dioxide or nitrous oxide.

(f) Any garbage that has not been properly comminuted or triturated.

(g) Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar. plastics, wood, manure, hair and fleshings, entrails, lime slurry, lime residues, beer or distillery slops, chemical residues, paint residues, cannery waste bulk solids, or any other solid or viscous substance capable of causing obstruction to the flow in sewers, or other interference with the proper operation of the wastewater works. {1989.)

(h) Any water or wastes that contain phenols in excess of 0.001 part per 1,000,000 by weight. These limits may be modified if the aggregate of contributions throughout the metropolitan area of service create treatment difficulties, or produce a plant effluent discharge to the receiving waters which may be prohibitive.

(i) Any waters or wastes, acid or alkaline in reaction, and having corrosive properties capable of causing damage or hazard to structures, equipment and personnel of the wastewater works. Free acids and alkalis of such water and wastes must be neutralized, at all times, within a permissible range of pH, between 6.0 and 9.0.

(j) Any waters or wastes containing a toxic or poisonous substance in sufficient quantity to damage or interfere with any sewage treatment'zrocess, constitute a hazard to humans or animals, to create any hazard in the receiving waters or storm water overflows or in the effluent of the wastewater treatment plant. Materials such as copper, zinc, chromium, and similar toxic substances shall be limited to the following average quantities in the sewage as it arrives at the treatment plan and at no time shall the hourly concentration at the wastewater treatment plant exceed 3 times the average concentration:

	Parts Per Million
Iron as Fe	.15
Chromium as Cr (hexavalent)	.05
Copper as Cu	.03
Arsenic	.01
Barium	.50
Cadmium	.01
Lead	.05
Silver	.05
Selenium	.01
Nitrates	.45
Chlorides	.100
Phenols	.001
Cyanides	.025
Fluorides	1.0

and with contributions from individual establishment subject to control in volume and concentration by wastewater treatment plant superintendent.

(k) Any cyanides, in excess of .025 part per 1.000.000 by weight as CN in the wastes from any outlet into the public sewers.

(1) Any water or wastes containing the discharge of strong acid iron pickling wastes. or concentrated plating solutions, whether neutralized or not.

(m) Any water containing suspended solids of such character and quantity that unusual provisions, attention or expense is required to handle such materials at the wastewater treatment plant.

(n) Any noxious or malodorous gas or substance. which either singly or by interaction with other wastes, is capable of creating a public nuisance or hazard to life or preventing entry into sewers for their maintenance or repair.

(o) Any wastewater that, for a duration of 15 minutes has a concentration greater than 5 times that of "normal wastewater"; as measured by suspended solids and BOD, and/or which is discharged continuously at a rate exceeding 1,000 gallons per minute.

Sec. 44. Same -- Alternatives available for prohibited substances.

(a) If any waters or wastes are discharged or are proposed to be discharged to the public sewers, which waters contain the substances or possess the characteristics enumerated in Section 43, and which may have a deleterious effect upon the wastewater facilities, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, as determined by the Sanitary Board or its duly authorized representative. the Sanitary Board or duly authorized representative may:

i) Reject the wastes;
ii) Require the pretreatment to an acceptable condition for discharge to the public sewers;
iii) Require control over the quantities and rates of discharge; and/or
iv) Require payment to cover added cost of handling and treating the wastes not covered by existing taxes or sewer charges under the provisions of Section 21.

(b) When considering the above alternatives, the Sanitary Board or its duly authorized representative shall give consideration to the economic impact of each alternative on the discharger. If the Sanitary Board or its duly authorized representative permits the pretreatment or equalization of waste flows, the design and installation of the plants and equipment shall be subject to the review and approval of the Sanitary Board or its duly authorized representative.

Sec. 45. Interceptors.

Grease, oil and sand interceptors shall be provided when, in the opinion of the Sanitary Board or its duly authorized representative, they are necessary for the proper handling of liquid wastes containing floatable grease in excessive amounts. as specified in Section 42, or any flammable wastes, sand or other harmful ingredients; except that such interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by the Superintendent, and shall be located as to be readily and easily accessible for cleaning and inspection. In the maintaining of the interceptors the owners shall be responsible for the proper removal and disposal by appropriate means of the captured material and shall maintain records of the dates and means of disposal which are subject to review by the Superintendent. Any removal and hauling of sand-collected materials not performed by owners personnel must be performed by currently licensed waste disposal firms.

Sec. 46. Pretreatment or Flow-equalization Facilities.

(a) Where pretreatment or flow-equalizing facilities are provided or required for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owners at their expense.

(b) When required by the Sanitary Board or its duly authorized representative, the owner of any property serviced by a building sewer carrying industrial wastes shall install a suitable structure together with such necessary meters and other appurtenances in the building sewer to facilitate observation, sampling and measurement of the wastes. Such structure, when required, shall be accessibly and safely located and shall be constructed in accordance with plans approved by the Sanitary Board or its duly authorized representative. The structure shall be installed by the owner at the owner's expense and shall be maintained by the owner so as to be safe and accessible at all times.

Sec. 47. Discharge Reports - Generally.

The Sanitary Board may require that any person discharging or proposing to discharge wastewater into a community sewer, file a periodic discharge report. The discharge report may include, but not be limited to, nature of

process. volume, rates of flow, mass emission rate, production quantities. hours of operation, number and classification of employees, or other information which relates to the generation of waste including wastewater discharge. Such reports may also include the chemical constituents and quantity of liquid or gaseous materials stored on site even though they are not normally discharged. In addition to discharge reports, the Sanitary Board may require information in the form of Wastewater Discharge Permit applications and self-monitoring reports.

Sec. 48. Same -- Information Which may be Required; Testing Standard.

(a) The Sanitary Board or its duly authorized representative may require a user of sewer services to provide information needed to determine compliance with this division. These requirements may include:

i) Wastewater discharge peak rate and a volume over a specified time period;
ii) Chemical analyses of wastewater:
iii) Information on raw materials. processes and products affecting wastewater volume and quality;
iv) Quantity and disposition of specific liquid, sludge. oil. solvent or other materials important to sewer use control;
v) A plot plan of sewers of the user's property showing sewer and pretreatment facility location;
vi) Details of wastewater pretreatment facilities;
vii) Details of systems to prevent and control the losses of materials through spills to the municipal sewer.

(b) All measurements, tests and analyses of the characteristics of waters and wastes to which reference is made in this Chapter shall be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater". published by the American Public Health Association. Sampling methods, location, times, durations and frequencies are to be determined on an individual basis subject to approval by the Sanitary Board or its duly authorized representative.

Sec. 49. Wastewater Discharge Permits.

(a) Mandatory permits: Each "major contributing industry" as defined in Section 1, or other users with a discharge equivalent to the major contributing industry, if not connected to a community sewer, must obtain a Wastewater Discharge Permit before connecting to or discharging into a community sewer. Each currently connected "major contributing industry" or equivalent user must possess a current Wastewater Discharge Permit.

(b) Optional permits: The Superintendent may issue a Wastewater Discharge Permit to any user, upon application, in accordance with the terms of this section in the following categories:

i) A user who requests charges and fees to be based an an estimate of wastewater flow:
ii) Any user whose wastewater strength is less than the normal range for the user classification to which such user is assigned because of pretreatment. process changes or other reasons.

(c) Permit application: Users seeking a Wastewater Discharge Permit shall complete and file with the Superintendent, an application in the form as prescribed by the Superintendent, and accompanied by the applicable fees. The applicant may be required to submit, in units and terms appropriate for evaluation, the following information:

i) Name, address and standard industrial classification number of applicant;
ii) Volume of wastewater to be discharged:
Wastewater constituents and characteristics including but not limited to those mentioned in section seven as determined by a laboratory approved by the agency;
iv) Time and duration of discharge;
v) Average and 30 minute peak wastewater flow rates, including daily, monthly and seasonal variations, if any;

vi) Site plans. floor plans. mechanical and plumbing plans and details to show all sewers and appurtenances by size. location and elevation;

vii) Description of activities, facilities and plant processes on the premises including all materials. processes and types of materials which are or should be discharged;

viii) Each product produced by type, amount and rate of production:

ix) Number and type of employees and hours of work:

x) Any other information as may be deemed by the Sanitary Board or its duly authorized representative to be necessary to evaluate the permit application.

The Sanitary Board or its duly authorized representative will evaluate the data furnished by the user and may require additional information. After evaluation and approval of all the data required. the Sanitary Board or its duly authorized representative may issue a Wastewater Discharge Permit subject to terms and conditions provided herein.

(d) Permit Conditions: Wastewater Discharge Permits shall be expressly subject to all provisions of this Chapter and all other ordinances. regulations. charges and fees established by the Sanitary Board. The conditions of Wastewater Discharge Permits shall be uniformly enforced by the Sanitary Board or its duly authorized representative in accordance with this Chapter, and applicable state and federal regulations. Permits may contain the following:

i) The unit charge or schedule of charges and fees for the wastewater to be discharged to a community sewer:

ii) The average and maximum wastewater constituents and characteristics:

iii) Limits on rate and time of discharge or requirements for flow regulation and equalization:

iv) Requirements for installation of inspection and sampling facilities:

v) Pretreatment requirements:

vi) Specifications for monitoring programs, which may include sampling locations, frequency and method of sampling, number, types and standards for tests and reporting schedule;

vii) Requirements for submission of technical reports or discharge reports:

viii) Requirements for maintaining plant records relating to wastewater discharge as specified by the Sanitary Board, affording Sanitary Board access thereto;

ix) Mean and maximum emission rates or other appropriate limits when incompatible pollutants are proposed or present in the user's wastewater discharge,

x) Other conditions as deemed appropriate by the Sanitary Board to insure compliance with this Section.

(e) Duration of Permits: Wastewater Discharge Permits shall be issued for a specified time period, not to exceed 5 years. A permit may be issued for a period less than a year or may be stated to expire on a specific date. If the user is not notified by the Sanitary Board 30 days prior to the expiration of the permit. the permit shall be extended in a period not to exceed 1 additional year. The terms and conditions of the permit may be subject to modification and change by the Sanitary Board during the life of the permit as limitations or requirements as identified in subsection (d) of the Section are modified and changed. The user shall be Information of any proposed changes in the permit at least 30 days prior to the effective date of change. Any changes or new conditions in the permit shall include a reasonable time schedule for compliance.

(f) Transfer of Permit: Wastewater Discharge Permits are issued to a specific user for a specific operation. A Wastewater Discharge Permit shall not be reassigned or transferred or sold to a new owner. new user, different premises or a new or changed operation.

(g) Revocation of Permit: Any user who violates the conditions of the Wastewater Discharge Permit, any provisions of this Chapter, applicable State and Federal regulations, or any of the following, is subject to having such user's permit revoked:

i) Failure of user to factually report the wastewater constituents and characteristics of such user's discharge.

ii) Failure of the user to report significant changes in operations, or wastewater constituents and characteristics; or.

lit) Refusal of reasonable access to the user's premises for the purpose of inspection or monitoring.

Sec. 50. Monitoring Facilities.

(a) Users who propose to discharge, or who the Sanitary Board or its duly authorized representative determine could discharge now or in the future. wastewater with constituents and characteristics different from that produced by a domestic premises will be required to install a monitoring facility.

(b) When one or more users can discharge into a common building. the Sanitary Board may require installation of a separate monitoring facility for each user. In addition, upon determination by the Sanitary Board or its duly authorized representative that there is a significant difference in wastewater constituents and characteristics produced by different operations of a single user. the Sanitary Board or its duly authorized representative may require that separate monitoring facilities be installed for each separate discharge.

(c) Monitoring facilities that are required to be installed shall be constructed, operated and maintained at the user's expense. The purpose of the facility is to enable inspection. sampling and flow measurement of Wastewater produced by a user. If sampling or metering equipment is also required by the Sanitary Board, it shall be provided, installed and operated at the user's expense. The monitoring facility will normally be required to be located on the user's premises outside of the building. The Sanitary Board may. however, when such a location would be impractical or causd undue hardship on the user. allow the facility to be constructed in the public street or sidewalk area, with the approval of the public agency having jurisdiction over that street or sidewalk, and located so that it will not be obstructed by landscaping or parked vehicles.

(d) If the monitoring facility is inside the user's fence, there shall be accommodations to allow safe and immediate access for Sanitary Board personnel, such as a gate secured with a Sanitary Board lock. There shall be ample room in or near such facility to allow accurate sampling and compositing of samples for analysis. The entire facility and the sampling and measuring equipment shall be furnished and maintained at all times in a 'safe and proper operating condition by and at the expense of the user.

(a) Whether constructed on public or private property, the monitoring facilities shall be constructed in accordance with the Sanitary Board's requirements and all applicable local agency construction standards and specifications. When, in the judgment of the Sanitary Board. an existing user requires a monitoring facility, the user will be so notified in writing. Construction must be completed within 90 days following written notification unless a time extension is otherwise granted by the Sanitary Board.

Sec. 51. Inspection and Sampling.

The Sanitary Board may inspect the facilities of any user to ascertain whether the purpose of this Chapter is being met and all requirements are being complied with. Persons or occupants of premises where wastewater is created or discharged shall allow the Sanitary Board or its representative ready access at all reasonable times to all parts of the premises for the purposes of inspection or sampling or in the performance of any of their duties. The Sanitary Board shall have the right to set up on the user's property such devices as are necessary to conduct sampling or metering operations. Where a user has security measures in force which would require proper identification and clearance before entry into their premises, the user shall make necessary arrangements with their security guards so that upon presentation of suitable identification. personnel from the Sanitary Board will be permitted to enter without delay for the purposes of performing their specific responsibilities.

Sec. 52. Pretreatment.

Users shall make wastewater acceptable under the limitations established herein before discharging into any community sewer. Any facilities required

to pretreat wastewater to a level acceptable to the Sanitary Board shall be provided and maintained at the user's expense. Detailed plans showing the pretreatment facilities and operating procedures shall be submitted to the Sanitary Board for review, and shall be approved by the Sanitary Board before construction of the facility. The review and approval of such plans and operating procedures will in no way relieve the user from the responsibility of modifying the facility as necessary to produce an effluent complying with the provisions of this Chapter. Any subsequent changes in the pretreatment facilities or method of operation shall be reported to and be approved by the Sanitary Board.

Sec. 53. Protection from Accidental Discharge.

(a) Each user shall provide protection from accidental discharge of prohibited materials or other wastes regulated by this Chapter. Facilities to prevent accidental discharge of prohibited materials shall be provided and maintained at the user's expense. Detailed plans showing facilities and operating procedures to provide this protection shall be submitted to the Sanitary Board for review, and shall be approved by the Sanitary Board before construction of the facility.

(b) The review and approval of such plans and operating procedures will in no way relieve the user from the responsibility of modifying the facility as necessary to provide the protection necessary to meet the requirements of this Chapter.

The City of 3in.ton, County of Summers, to-wit:

---having been duly- "•[w'~~,_ • - - - - - - - -

to the office of__ __ _? ?C _? e_ _ _~+_►? ? . -•

do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned - ,r_ ___ __ dam- 2

of said County, this__ 3_Q ____.day of. ~y) 19___.

Circuit Judge

The City of Hinton, County of Summers, to-wit:

I, _HE TY_JO H g-SH gM____ having been duly APPOINTED__ to the office of ,---TON map solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and I will truly and faithfully perform all the duties of said office, during my continuance therein, to the best of my skill and judgment, so help me God.

Subscribed and sworn to before the undersigned of said County, this __Lath_. dav of --- iii LY. -. - . 2003

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
CRIS MEADOWS
1014 WALNUT ST.
HINTON, WV 25951
My Commission Expires October 26, 2009

Signature

7/18/03
Date

THE CITY Ol[t]. TINi'ON

Sewer Revenue Bonds, Series 2003 A
(West Virginia SRF Program)

PETITION OP SANITARY BOARD

The Sanitary *Board of* The *City of* Hinton (the "City") hereby petitions the Council of the City to enact an ordinance directing *that sewer* revenue bonds of the City be issued pursuant to the _ provisions of Chapter 16, Article 13 of the West Virginia Code of 1931, as amended, such bonds to be in *an amount not* to exceed *$775,000 for the* purpose of financing a portion of the cost of acquisition and construction of certain additions, betterments and improvements to the existin[g] sewerage system of the City, together with all necessary appurtenances, and the costs of issuance and related costs.

Directed this 18th day of July, 2003.

SANITARY BOARD OF THE CITY OF HINTON

By; Leo P. Mathews

Its: Chairman

07/02/03
414550100061

CH111349,I

Public Service Commission
of W.Va. Tariff Office

JAN 2 8 1999

Special Studies Section

P.S.C. W. Va. No. 7
Canceling P.S.C. W. Va. No. 6

CITY OF HINTON, a municipal corporation

OF

HINTON, WEST VIRGINIA

RATES, RULES AND REGULATIONS FOR FURNISHING

SEWERAGE AND SEWAGE DISPOSAL SERVICE.

Hinton, Summers County, West Virginia

Filed with THE PUBLIC SERVICE COMMISSION
of
WEST VIRGINIA

RECEIVED

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RECEIVED
W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

Issued January 13, 1999

Effective January 1, 1999
or as otherwise provided herein

Passed by City Council

Issued by Ci of Hinton, a municipal corporation

By_____

Clerk/Recorder
Title

RULES AND REGULATIONS

1. Rules and Regulations for the Government of Sewerage 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.

(C) AVAILABILITY OF SERVICE

Available for residential and commercial sanitary sewer service

(A) RATE

$5.50 per one thousand gallons of metered water usage per month

(A) MINIMUM CHARGE

$11.00 per month

(N) FLAT RATE

For all customers who are not connected to the Water Company's's water system, the charge for sewer will be based on the assumption of 4,500 gallons per month.

(N) TAP-IN FEE

$150.00

(C) DISCONNECT FEE

For non-payment of sewer bills, the Sanitary Board may have the customer's water disconnected for which there will be a fee to the Sanitary Board of $20.00. Service shall actually be discontinued only after at least 24 hours written notice shall have been given to the customer by the Sanitary Board that bills are five or more days delinquent; provided, however, where a dangerous conditions found to exist on the customer's premises, the water may be shut off without notice in advance. In no case shall the Sanitary Board discontinue service on Friday, Saturday, Sunday or a day prior to a holiday or a holiday, unless an emergency exists. All disconnections shall be performed between the hours of 8:00 a.m. and 4:00 p.m.

(C) RECONNECT FEE

If a customer's water is disconnected for non-payment of sewer bills, the Sanitary Board will charge a $20.00 fee to have the water company reconnect the water after the sewer bill has been satisfied.

DELAYED PAYMENT PENALTY

The above tariff is net. On any account not paid in full within twenty (20) days of the date of the bill, ten percent (10%) will be added to the net amount due. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

(C) Indicates change in text
(A) Indicates increase
(N) Indicates new

SANITARY BOARD OF HINTON

City Hall
P.O. Box 866
Hinton, West Virginia 25951

Phone' 304-466-4647

NOTICE

TO

HINTON SANITARY BOARD CUSTOMERS

YOU ARE HEREBY NOTIFIED AND YOU WILL PLEASE TAKE NOTICE THAT ON THE 20TH DAY OF OCTOBER, 1998, AT 7:30 P.M., THE COUNCIL OF THE CITY OF HINTON CONSIDERED FOR FINAL ENACTMENT AND ADOPTED THE FOLLOWING RATE SCHEDULE FOR THE SANITARY BOARD OF THE CITY OF HINTON:

FOR EACH 100 '(ONE HUNDRED) GALLONS
OF USAGE, THE RATE IS .55 CENTS

FOR EACH 1,000 (ONE THOUSAND) GALLONS
OF USAGE, THE RATE IS $5.50

THE MINIMUM MONTHLY CHARGE IS $11.00

EXAMPLES:

700 GALLONS USED	= $11.00
1,400 GALLONS USED	= 11.00
2,000 GALLONS USED	= 11.00
2,300 GALLONS USED	= 12.65
4,500 GALLONS USED	= 23.65
6,400 GALLONS USED	= 35.20

THE NEW RATE SCHEDULE IS EFFECTIVE WITH CUSTOMER USAGE DURING THE MONTH OF JANUARY, 1999 AND WILL REFLECT ON YOUR FEBRUARY 1, 1999 BILLING.

PLEASE DO NOT HESITATE TO CALL OR COME BY THE OFFICE IF YOU HAVE QUESTIONS OR CONCERNS IN THIS REGARD.

THANK YOU.

Martha L. Williams

OFFICE MANAGER
SANITARY BOARD,
CITY OF HINTON

I, Fred Long, publisher of lTinton News a newspaper in Suinmers West Virginia do hereby certify that the annexed Notice was published in said newspaper for - - - successive times on the following dates, Oct. 27, Nov. 3, 1998

THE PRINTERS FEE THEREFORE IN $62.35

Given under my hand this 23 day of March, 20 04

Publisher

State of West Virginia)

County of Summers) to wit:

Subscribed and sworn to before me this 23 day of March, 20 04

My Commission expires January 17, 2005

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 Cedar Ave., Hinton WV 25951
My commission expires: 1-17-2005

Nellie M. Robertson

Notary Public

COPY OF PUBLICATION FROM THE HINTON NEWS

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 CEDAR AVENUE
HINTON, WV 25951
My Commission Expires January 17, 2005

LEGAL NGTICt

LEGAL NOTICE

TO' Customer. of the **Hinton Sanitary** Board

The City of Hinton and Sanitary Board of the City of Hinton **are proposing new** rates for 'ewer wrvioe. **The first reading of the proposed ordinance was held *on October* 20, 1998.** The **second reading** and public ***hearing* will be held *on* November *10, 1998 at* 7:30 p.** to. ***at* the** *City Hal! in Hinton.* **Interested parties *may* appear at that time and place and be heard on the aubiect..**

The ordinance may be inspected at City **HeR** in Hinton. The ordinance applies to current customers of the Sanitary Board of the City of Hinton. It represents a rate increase of **37.5% and** is **the** lint *rate inc'ease for the City since* 1991.

The proposed tariff is as follows:

CITY OF HINTON SANITARY BOARD PROPOSED TARIFF OCTOBER 20, **1998** FOR THE CITY OF HINTON

AVAILABILITY OF SERVICE

Available for residential and commercial sanitary sewer service.

RATE

' ***5550*** per *one* thousand gallons *of* **metered water** usage per month.

MINIMUM CHARGE

$11.00 per month.

,FLAT RATE

Far all customers who **are not connected to the** Water Company's water system, the charge for sewer will be based an the assumption of 4,500 gallons per month.

TAP-1N FEE

S IM 00

DISCONNECT FEE

For non-payment of sewer billa, the Sanitary Board may have the customer's water disconnected for which there will be a fee to the Sanitary Board of 520.00. Service shall actually be discontinued only after at least 24 hours written notice shall have been given to the customer by the Sanitary Board that bills are five or more days delinquent; provided, however, where a dangerous condition is found to exist on the customer's premises, the water may be shut off without notice in advance. In no case shall the Sanitary Board discontinue service on Friday, Saturday, Sunday or a day prior to a holiday or a hid iciest unless an emergency exists. All disconnects shall be performed between the hours of 800 a. m and 4:40 p. m.

RECONNECT FEE

If *a customer's water i*■ disconnected *for non-*payment of sewer bills, the Sanitary Board will charge s $2000 fee to have the water company reconnect the water after the sewer bill has been satisfied.

DELAYED PAYMENT PENALTY

The sleeve tariff is net. On any account not paid in full within twenty drys of the date of the hill. ten percent will be +added to the net amnunt due. This delayed payment penalty is not interest and is to lie collected unit' once for each all where it is appropriate

Lt" r7ri 27 Nov 1

I, Fred Long, publisher of Hinton News a newspaper in Summers County, West Virginia do hereby certify that the annexed Notice was published in said newspaper for ____two successive times on the following dates, _____Oct. 27, Nov. 3, 1998 _____ THE PRINTERS FEE THEREFORE IN _____$62.35

Given under my hand this ____23day of ____march, 20 04

j .?

State of West Virginia) _____ Publisher

County of Summers) to wit:

Subscribed and sworn to before me this ____23day of ____March ___, 20 04

My Commission expires January 17, 2005

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 Cedar **Ave.**, Hinton WV 25951
My commission expires: 1-17-2005

Nellie M. Robertson
Notary Public

COPY OF PUBLICATION FROM THE HINTON NEWS

LEGAL NOTICE/

LEGAL NOTICE

TO: Customers of **the Hinton Sanitary Board**

The City of Hinton and Sanitary Board of the City of Hinton are proposing new rates for sewer service, The first reading of the proposed ordinance was held on October 20, 1998. The second reading and public hearing will be held on November 10, 1988 at 7:30 p. no. at **the** City **Hall in Hinton. Interested parties may appear at that time and place and be heard an the tulle&**

The ordinance may be inspected at City Hill in Hinton. The ordinance applies to current customers of the Sanitary Board of the City of Hinton. It represents a rate increase of 37.5% and is the first rate increase for **the** City since 1991.

The **proposed** tariff is as follows:

CITY OF ! INTON **SANITARY BOARD PROPOSED TARIFF OCTOBER 20, 1998 FOR THE** CITY OF HINTON

AVAILABILITY OF SERVICE

Available for residential **and commercial sanitary** sewer service.

RATE

$5.50 per one thousand gallons of metered water usage per month.

MINIMUM **CHARGE .**

311.00 per month.

FLAT **RATE**

For xll customers who are not connected to the Water Company's water system, the charge for sewer will be ***hosed on the*** **assumption** ***of*** **4,500** ***gallons per*** **month.**

TAP-IN FEE

$150 00

DISCONNECT **FEE**

For non-payment of sewer bills, the Sanitary Board may have the customer's water disconnected for which there will **be a fee to the Sanitary Board of $20.00, Service shall actually be discontinued only after at least 24 hours** written notice shall **have been given to the customer by the Sanitary Board that bills are five or more days delinquent; provided, however, where a** dangerous cunditton is found to exist on the customer's premises, the water may be **shut** off **without notice in** advance. In no case shall the Sanitary Board **discontinue service on Friday, Saturday, Sunday or a** day prior to a holiday or x hol idey, unless an **emergency** meta. All disconnects shall be performed between the hours of **8.00 a.** m and **4GO** p. **in.**

RECONNECT FEE

if a customer's water is disconnected for non-payment of sewer bills, the Sanitary Board will **charge a $20.00 fee** to have the **water company reconnect** the water after the sewer hill has been satisfied.

DELAYED PAYMENT PENALTY

The alxwe tariff is net. On any account not paid in full within twenty days of the date of the hell, ten percent will he lidded to the net amount due, This. dclaved payment penalty is net interest and is to be collected only once for each hill where it is nppmpriate

IIN Oct 27, Nov. !

ACTS OF COUNCIL
Regular Session
Tuesday, October 20, 1998
7:30 p.m.

I. Roll Call

All members present.

II. Devotions

Councilor Basham addressed the audience advising, "A mistake is evidence that someone tried to do something."

Councilor Basham led in prayer. Mayor Leslie led in the Pledge of Allegiance.

III. Delegations

None.

IV. Approval of Minutes

Motion was made by Councilor Wheeler and seconded by Councilor Meador to approve the minutes of the September 17, 1998 Regular Meeting. The motion was unanimously approved.

V. Citizen Input

Linda Lane approached Mayor and Council requesting permission to block off Temple Street from Second Avenue to Fourth Avenue for another Car Show this spring. Ms. Lane explained that she was asking early so she could get started on her advertising, if Council will permit her to close the street. "1 have already had a lot of interest in my car show," Ms. Lane advised.

Mayor Leslie asked, "The Car Show that is at the. Summers County High School ... does this ear show immediately precede your car show?"

Ms. Lane advise her car show is the week after the Summers County High School Car Shaw.

After a brief discussion, Mayor Leslie advised Ms. Lane that Council would discuss her request and let Ms. Lane know as soon as possible.

VI. New Business

A. Approval ofBuilding/Sign Permits

Motion was made by Councilor Basham and seconded by Councilor Wheeler to approve the building permits for inside and outside the Historic District. The motion was unanimously approved.

B. Approval of September, 1998 invoices Paid

GENERAL FUND

AGC Educational Media	Stop Grant Film	47.50
American Office Systems	Repairs to Copier	3 59.00
Aramark Uniform Services. inc.	Uniform Rental	552.59
Atlas Pen & Pencil Corp.	Stop Grant Material	2,120.77
Baker Sanitary Supply	Misc_ materials	375.90

Bennett, Randy	Lights/K-9 unit	45.00
Berry, Bill	Tree removal	850.00
Big Four Drug Store	Batteries	30.80
BJW Printing & Office Supply	Misc. office supplies	932.40
Blue Ribbon Sport	Trophies/fireman Parade	460.00
Bluestone Paving, Inc.	Wearing	453.60
Bluestone Tire & Muffler	Misc. repairs	143.50
Board of Risk & Insurance	Liability insurance	4,000.00
Bowyer's Tree Trimming	Streetscape tree trimming	1,200.00
Bridge Street Ashland	Vehicle repairs	27.87
Business Credit Leasing	Copier rental	480.00
Cales, Bobby	Brick laying/streetscape	640.00
Casto & Harris, Inc.	Minute book paper	38.65
Charles Ryan Associates	Logo & design	628.40
Citynet	Web site fee	250.00
Cooper, Harold F.	Reimb. Supplies	23.47
D & G Sign & Label	No smoking symbols	61.70
Division of Criminal *Justice*	Tuition/O.J. Lilly	1,000.00
Don's Sport Shop	Ammo	27.35
Dover Elevators	Service agreement	932.25
Duncan Industries	Locks/domes/bushing	268.27
E. C. Communications	Radios	1,027.25
Easter National	New River Symposium.	50.95
EFTPS	Employer matching flea	3,062.85
Finley Fire Equipment	5" suction screens	51.88
Fisher Auto Parts	Misc. auto parts	32.33
FMRS Mental Health	Psychological/Lilly	1 62.50
Fox Print	Printed eve	46.00
Gore's Autobody	Misc. repairs	5,462.67
Greenbrier Nurseries. Inc.	Hanging baskets/mulch	1.296.50
Hilderbrand Hauling, Inc.	Hauling 955 loader	250.00
Hinton Excavating Company	Dozer/Esquire Cemetery	L400.00
Hinton Hardware	Misc. purchases	812.80
Hinton News	Legal ads	89.41
Hinton Railroad Museum	Grant	1,900.00
Honaker Lumber Company	Misc. materials	480.02
J. L. Massie Insurance Agency	Insurance	150.00
JABO Supply Corporation	New garage material	2,620.19
Jarrell's Exxon	Misc. repairs	134,36
Gill, Joe	Mowing Broadway Ave.	165.00
Kroger Company	Misc, purchases	234.51
Magic Mart	Misc. supplies	49.90
Meadows Feed & Supplies	Dog food	311.40
Midwest Disposal	Dumping fee	500.00
Mike's *Service* Center	5 inspection stickers	5.00
Miller, Gar[r]	Meter repair	50.00
Mountain Air	Mowing grass	385.00
Mountaineer Sanitation	Arthelia Smith project	500.00
National Sign Company	Dead End sign	40.33
New River Animal Hospital	Boarding dogs	38.00
O'Neal, LeLand D.	1995-1996 audit	2.270.00
Pack, Ron	Mowing triangle park	70.00
Park Avenue Exxon	Two oil changes	39.90
Primary Care Plus	Physical/Lilly	200.00
Public Employees Insurance	Premium	7,764.07
Public Employees Retirement	9.5 % Contribution	2,441.09
R. T. Rogers Oil Company	Gasoline/diesel	4,913.85
Rent All of Beckley	Trowell rental	290.00
Richmond, Sam	Reimb. Film developed	20.71
Rivertown Restaurant'	RaHall Luncheon	36.00
Ronk's Uniform Center, Inc.	Uniforms/Police	2,288.10
Skeen & Company	Program installation	730.00

Southern WV Asphalt	Wearing	162.54
State Electric Supply Co.	Bridge light repair	379.62
Summers Concrete Supply	Concrete	2,597.00
Summers County ARH	Injury/Adkins	530.55
Summers County Enhanced 911	Reports	40.00
Summers County Health Dept.	Hepatitus B/Lilly	70.00
U. S. Postal Service	Postage	122.88
West Virginia Glass	16 frames/Visitors Ctr	802.00
West Virginia Power	Utility bill	2,305.76
Wheeler. Katherine	Roof repair/Fire dept	350.00
WV State Treasurer's Office	CVRJLET & Jail Fee	66.00
WV Tire Disposal	769 tires/6 truck tires	1,183.50
WV-American Water Company	Utility bill	608.90
Wyoming County COA	Joe Hurley	375.00
		$67,815.34

Coal *Severance* Fund

" No Activity "

Building Commission Fund

Baker Sanitary Supply	Misc. materials	210.80
First Nat'l Bank of Hinton	Deposit tickets	18.26
Flonaker Lumber Company	Misc. Supplies	264.26
Mountain Messenger	Advertisement	23.00
Summers Co. Bobcat Boosters	SMS Cheerleaders	100.00
Summers Middle School	Year book ad	80.00
WVDHHR-Office Lab Service	Bacteria testing	20.00
		$ 716.32

.Motion was made by Councilor Wheeler and seconded by Councilor Basham to approve the September, 1998 Invoices Paid, as presented. The motion was unanimously approved.

C. Approval of September, 1998 Financial Statement

Clerk/Recorder, Cindy Cooper presented Mayor and Council with an Income Statement with the monthly revenues and expenditures for September, 1998. The Income Statement reflects line item account transactions for. both revenue and expenditures, by category. The September, 1998 Income Statement, summarized below, is available in the Clerk/Recorder's office to the general public.

City **of Hinton**
General Fund
INCOME STATEMENT
For The Period of
September 1 - **September 30, 1998**

REVENUE

Property Tax	$ 91,624.25
Excise Tax on Utilities	4,605.06
Business & Occupation Tax	16, 050.52
Wine & Liquor Tax	3,126.41
Licenses	205.00
Building Permit Fees	120.00

Miscellaneous Permits	42.00
Parking Meter Revenues	264.97
Fines & Court Cost	295.00
Police Protection Fees	3,667.47
Federal Government Grants	7,162.00
State Government Grants	1,900.00
Interest Earned on Investments	30.68
Reimbursements	2,717.86
Accident Reports	80.00
TOTAL REVENUES	$131,891.22
Total Gross Profit	$131,891.22

EXPENDITURES

Official Salaries-Mayor's Office	$ 750.00
Official Salaries-City Council	1,400.00
Salaries & Wages-City Clerk	2,963.08
Salaries & Wages-City I--Tall	824.00
Salaries & Wages-Police Department	9,869.46
Salaries & Wages-Fire Department	6,160.50
Salaries & Wages-Street Department	5,474.66
Salaries & Wages-Parks	358.10
Fica Tax Expense-Mayor's Office	57.38
Pica Tax Expense-City Council	107.12
Fica Tax Expense-City Clerk	321.99
Fica Tax Expense-Custodial	85.89
Fica Tax Expense-Police Department	995.34
Fica Tax Expense-Fire Department	700.09
Fica Tax Expense-Street Department	607.08
Fica Tax Expense-Parks	187.96
Group Insurance - City Clerk	578.04
Group Insurance - Custodial	417.98
Group Insurance - Police Department	3,376.83
Group Insurance - Fire Department	2,576.76
Group Insurance - Street Department	814.46
Retirement Expense-City Clerk	281.49
Retirement Expense-Custodial	78.29
Retirement Expense-Police Department	916.69
Retirement Expense-Fire Department	662.26
Retirement Expense-Street Department	502.36
Telephone-City Hall	424.89
Utilities-City Hall	1,112.16
Utilities-Other Buildings	11.52
Utilities-Fire Department	119.40
Utilities-Street Department	365.18
Utilities-Signs & Signals	111.82
Utilities-Central Garage	29.31
Utilities-Parks	598.59
Utilities-Visitors Center	141.79
Maintenance & Repair-Police	5.00
Postage-City Clerk	122.88
Legal Publications & Advertisement-City Clerk	89.41
Training & Education - Police Department	3,268.27
Dues & Subscriptions-Community Development	50.95
Professional Services-City Hall	159.00
Professional Services-Police Department	800.55
Audit Costs - City Clerk	2,270.00
Insurance & Bonds - City Hall	500.00
Insurance & Bonds - Other Buildings	950.00
Insurance & Bonds - Police Department	1,100.00
Insurance & Bonds - Fire Department	950.00

Insurance & Bonds - Central Garage	150.00
Insurance & Bonds - Parks	500.00
Contract Services-Economic Development	36.00
Contracted Services - City Clerk	730.00
Contracted Services -Community Development	878.40
Contracted Services - City Hall	952.25
Contracted Services Other Buildings	205.00
Contracted Services - Police Department	337.50
Contracted Services - Fire Department	46.00
Contracted Services-Dog Warden	388.00
Contracted Services-Street Department	3,355.00
Contracted Services-Landfill/Incinerator	2,183.50
Contracted Services-Parks	120.00
Contracted Services-Visitors Bureau	375.00
Contracted Services-Beautification	1,200.00
Remittance of Fees Collected - Police Department	66.00
Remittance of Fees Collected - Museum Commission	1,900.00
Department Supplies - City Clerk	661.05
Department Supplies - Custodian	23.47
Department Supplies - City Hall	914.58
Department Supplies - Other Buildings	233.62
Department Supplies-Police Department	1,632.68
Department Supplies-Fire Department	1,006.17
Department Supplies - Dog Warden	311.40
Department Supplies - Streets	4,385.57
Department Supplies-Central Garage	357.92
Department Supplies-Parks	1.50
Department Supplies - Visitors Bureau	586.09
Department Supplies - Beautification	1,260.50
Auto Supplies - Police Department	8,150.87
Auto Supplies - Fire Department	65.11
Auto Supplies - Street Department	1,890.04
Auto Supplies - Sewer Source	200.51
Uniforms - Custodial	52.59
Uniforms - Police Department	2,288.10
Uniforms - Central Garage	500.00
Capitol Outlay Improvements - Visitors Center	802.00
Capitol Outlay Construction - Central Garage	2,620. L9
TOTAL EXPENDITURES	$95,615.14
Total Net Operating Income (Loss)	$36,276.08
Net Income (Lass) Before Tax	$36,276.08
Net Income (Loss)	$36,276.08

Coal Severance Fund
INCOME STATEMENT
For **the Period of**
September 1, **1998** to **September 30, 1998**

SEVEN UE

Coal Severance Tax	$2,005.65
Total Revenue	$2,005.65
Total Net Operating Income	$2,005.65
Net Income	$2,005.65

Building Commission Fund
INCOME STATEMENT
For the Period of
September 1, 1998 to September 30, 1998

REVENUE	
Sales at City **Sidetrack Park**	$ 90.00
Reimbursements - Parks	50.00
Total Sales	$ 140.00
Total Gross Profit	$ 140.00
EXPENDITURES	
Legal Publications - Building Commission	$103.00
Contracted Services - Parks	20.00
Department Supplies-Parks	593.32
Total Expenditures	$ 716.32
Total Net Operating Income	{ $ 576.32)

Motion was made by Councilor Meador and seconded by Councilor Keifer to approve the September, 1998 Income Statement, as summarized. The motion was unanimously approved.

D. Appointment to Civil Service Commission

Councilor Wheeler advised he has been having difficulty getting a response from the Black Diamon I Lodge in Beckley and would now like to contact the Greenbrier Lodge i Lewisburg *for an* appointment. Councilor Wheeler advised he is upposed to go to Lewisburg tomorrow. This agenda item was tabled unti Councilor Wheeler has the opportunity to talk with the Greenbrier Lodge in Lewisburg.

E. Approval of Contract with WV Department of Transportation for *Re-*Routing of Sewerage Line on Bellepoint Bridge

Mayor Leslie advised he was not ready to recommend approval of this contract. This agenda item was tabled.

F. Approval of Payment of Invoices for Sandstone Sewer Project

Motion was made by Councilor Basham and seconded by Councilor Wheeler to approve payment of the following invoices for the Sandstone Sewer Project. The motion was unanimously approved.

Region 1 PDC	S 267.00
Stafford Consultants	$3,525.00
Ziegler & Gun.noe	$1,700.00

G. Approval of Resolution for Park ng on State Street

Motion was made by Councilor *Wheeler* and seconded by Councilor Basham to approve the following resolution. The motion was unanimously approved.

RESOLUTION

WHEREAS, the State of West Virginia, Department of Transportation has expended taxpayer funds *to* acquire additional

property for the purpose of improving and widening the ingress/egress to State Street at Main Street; and

WHEREAS, the State of West Virginia, Department of Transportation instituted such improvements for the purposes of safety and accessibility: and

WHEREAS, the State of West Virginia. Department of Transportation must maintain this improved roadway, especially for purposes of snow removal; and

WHEREAS, the expanded curve, created at the intersection of State and Main Streets, was further enlarged for purposes of parking by local residents in order to remove parking on State Street for snow removal and better accessibility for two-way traffic.

NOW, THEREFORE, BE IT RESOLVED by *the City* Council of the City of Hinton that there be no parking of vehicles on State Street between Main Street and Possum Hollow Road, *EXCEPT* in the expanded, improved curve at the intersection of State and Main Streets in the City of Hinton.

Adopted in regular session by the City Council of the City of Hinton this 20" day of October, 1996.

/ ; James A. Leslie, Jr., MAYOR

ATTEST: ,-t ynthia S. Cooper
City Manager

H. Consideration of Ordinance to Enact "Clean Indoor Air Regulations"

Mayor Leslie reported that Dr. Seaton, on behalf of the Summers County Community Wellness Center, requested that city officials approve an ordinance that would ban smoking in public places. Mayor asked each member of council to consider Dr. Seaton's proposal and a decision would be made, pro or con, at the November 17, 1998 Council Meeting to conduct a 1 u reading of said Ordinance.

l' Reading of Ordinance to Change Rate Structure of Hinton Sanitary Board

Mayor Leslie conducted the first reading *of* an ordinance to change the rate structure of the Hinton Sanitary Board.

Motion was made by Councilor Meador and seconded by Councilor Wheeler to approve the first reading of the Ordinance to change the rate structure of the Hinton Sanitary Board. The motion was unanimously approved.

VII. Reports

A. Legal Notices, Unsafe Buildings. Clean-up, Litigation

Counselor Gunnoe was not in attendance.

Councilor .Ke.ffer stated, "There is still a serious problem on State Street. T am going to go up there and get a list of unfit property and give this to Gunnoe one more time. The weeds are also about 8 - 10' high in this area.

B. .Emergency Evacuation of Summers County High School

Steve Pack, Emergency Services Director, approached Mayor and Council advising that the evacuation plan is not finished, but we are closer. We met today with the Senior Hazardous Material Manager out of the Richmond office from CSX for three and one-half hours. We have the plan in rough draft form, which you have; the plan will hopefully be finalized and presented to the Board of Education on November 12, 1998. We will then present the plan to Mayor and Council at your next meeting. The first thing we need to do is have a staff development and educational process at the High School on November 20, 1998.

Mr. Pack read correspondence addressed to Tom Clinebell from the Senior Hazardous Material Manager that accounts for 90% of all the movement of hazardous material through the City of Hinton. The first five items listed on this letter, which reflects the majority of the movement through Hinton, present little danger, if we would have a spill.

Mr. Pack advised that there is some concern about evacuating around the baseball field area. The plan has changed somewhat today, but we arc going to provide another process by which to get the children removed. from this area.

Mr. Pack reported that this is the first time that CSX has ever sat down and put their expertise into trying to develop a comprehensive plan for an evacuation route for the high school. This has been a learning process for all of us.

Mayor Leslie asked if the tentative plan is still in effect?

Steve Pack advised, "Pretty much the same, we clarified some sentences. It hasn't changed much but it has changed some."

C. Forestry Grant of 55,000.00

Councilor Basham advised the City of Hinton did received 55,000. from the Forestry Division. A total of 139 trees have been ordered through Greenbrier Nurseries. We will have cherry and plum trees. These trees do not have fruit. They will be planted on Temple Street on both sides of the street between 4th Avenue and 12th Avenue. The city crew along with the Hinton Woman's Club will be overseer's for the trees. The City crew will be planting the trees; this will be the city match for the grant.

D. Department Heads

Chief Adkins brought Mayor and Council up-to-date on what the Hinton Police Department has done since September 17, 1998. We have towed 20 vehicles, served 3 correction notices, 14 arrests, 24 charges with 8 of these being misdemeanor and 16 being felonies, we have completed 27 incident reports, served 329 parking citations, written 19 55.00 tickets for areas such as the fire lane at Kroger, and issued 12 traffic citations at Greenbrier Drive. & Bobcat Drive. We have used all of our warning tickets. We're down to verbal warnings now, until we get our new warning tickets. There has been school patrol each morning and afternoon. Chief Adkins also reported on various vehicle repairs.

Chief Pivont met with the Insurance Service Officer (ISO) in September. This investigation wasn't as extensive as they have been in the past. The City of Hinton is listed as a Class Vll for insurance rating purposes.

VIII. Discussions

A. Date of N ext Meeting

The next regular meeting of 1-Tinton City Council will be held on Tuesday, November 17. 1998 at 7:30 p.m.

IX. Personnel

A. Resignation

Motion was made by Councilor Wheeler and seconded by Councilor Basham to accept the resignation of Johnny L. Mann as Chief of Police, effective September 19, 1998. The motion was unanimously approved.

B. Employment

Motion was made by Councilor Wheeler and seconded by Councilor Basham to employ Timothy S. Adkins as Chief of Police, effective September 19, 1998 at a pay rate of $22,000. annually. The motion was unanimously approved.

C. Promotion

Chief Adkins reported that Robby Maddy was the next high score on the promotional test for Sergeant.

Motion was made by Councilor Meador and seconded by Councilor Wheeler to promote Robby Maddy to the position of Sergeant, effective October 21, 1998. The motion was unanimously approved.

X. Adjournment

Upon motion by Councilor Wheeler and a second by Councilor Keffer, the regular meeting of Hinton City Council stood adjourned at 8:20 p.m.

MAYOR

CLERK/RECORDER

ACTS OF COUNCIL
Public Hearing
Tuesday, November 10, 1998
7:30 p.m. - City Hall

Call to Order

Mayor Leslie called the Public Hearing to order.

Councilors Basham and Keifer were in attendance.

Sanitary Board members Lynn Long and Don DeWitt were in attendance.

Mr. Harry Sutherland, CPA for the Hinton Sanitary Board, was in attendance,

Legal advertisement for tonight's Public Hearing was in the October 27, 1998 and the November 3, 1998 issues of Hinton News.

11. ✓ The Purpose of this Public Hearing is to Obtain Citizen Input into the Hinton Sanitary Board's Proposed Rate Increase for Sewer Service

The City of Hinton and Sanitary Board of the City of Hinton are proposing new rates for sewer service. The first reading of the proposed ordinance was held on October 20, 1998.

At this time, Mayor Leslie asked the citizens in attendance if they would like to address the proposed rate increase for the Sanitary Board.

The following citizens were in attendance.

Virginia Meadows	132 Pleasant Street
Mary C. Lilly	402 Riverside Drive
Gladys Fox	1016 Terrace Street
Margaret Hawley	P_ O. Box 1382, Hinton
Estella Akers	107 Park Avenue
Angeleen Ballengee	309 Cedar Avenue
Ira Romanello	(no address given)
Douglas Fox	1016 Terrace Street

Gladys Fox advised, "Everyone on our street, as you know, is retired and on a fixed income. It is very hard for them: Also, we rent the Fox Apartments which is rented by elderly people. If the sewer rate is raised, we will have to raise the rent at the Fox Apartments."

Douglas Fox advised, "l am on social security and the first of the year I'll get a $10.00 raise of which a $1.70 will be taken back for Medicare. I just can't afford anymore bills."

Virginia Meadows advised, "I am on a fixed income and it certainly would impose an awful big thing on me should I have to pay more."

Estella Akers advised, "Speaking on behalf of the majority of the population in Minton, which are very elderly people, some of those little widows get 5300.00 a month, some get $400.00, some don't get very much more. Every little way we turn, it hits us. I got two prescriptions Friday that cost me $126.53 to keep my heart beating. That's just two prescriptions. Every time we go, everything has raised. As they said, we will get a 1% increase in Social Security. The Sanitary Board is asking for a 37.5% raise. That's one and three fourths just about. That's ridiculous, that's awful. And when you sacrifice and try to do without water and be saving then they put that rate of $11.00 on you, that is not fair, that is absolutely not fair. The first schedule you had, it was 7,000 or

10,000, 20,000 gallons of water and it was going to be $11.00 anyway. T think the minimum is very high. And another thing, it is awful that we cannot be allowed to use what we have here in our area and enjoy it. You can't flush a commode; you have to go around and leave things in the commode because you can't afford to flush because rates go up and go up. You just cut anyway you can. and it really isn't fair. I think that a small raise wouldn't have been protested so hard, but this one is really going to be hard to get. And another thing, one's that's none of my business, but 1 can't understand why the Sanitary Board hired a Certified Public Accountant from Virginia, don't we have any in West Virginia?"

Mayor Leslie advised the Sanitary Board has had this Certified Public Accountant since 1960. Mr. Sutherland has been on-hoard since the original sewer plant was constructed at Flat Rock. It's really been wonderful that the Sanitary Board has had that kind of continuity."

Angeleen Ballengee advised, "I second Estella's motion, I am widow and on a fixed income too."

Mayor Leslie advised, "Just for clarification, the minimum bill today is $8.00. The minimum bill will be $11.00. We have approximately 1,400 customers. About 400 of these customers are minimum bills for $8.00."

Estella Akers advised, "That's because they have to sacrifice to pay the $8.00. They are elderly people who can't afford to pay anymore.
And everything is going up and up in cost."

Mayor Leslie advised, "I understand. This is not something that've want to do, we haven't had an increase for seven years. I guess we should be like all the other utilities and raise our rates every year."

Estella Akers advised, "This will hit us in more ways than one, people who have arthritis who can't shampoo their hair, that get their hair done, won't be able to afford this anymore because the beauticians will raise their price. Restaurants and hospitals will raise their prices.

Mayor Leslie stated, "We experience the same rise in cost that you da. Our electrical bill; just electricity to operate the plant for one month is $2.500.00."

Estella Akers asked, "How many employees do you have at the sewer plant."

Mayor Leslie advised, "We have one clerk. Ms. Williams, here at the office. We have Mr. Pence, as required under state law, as a plant operater and two field workers, Mr. Parker and Mr. Wynes."

Ms. Akers stated, "Three all together."

Mayor Leslie stated, "Four employees whereas we did have six."

Ms. Akers stated, "I know we use two at Pi,pestem Park, both certified."

Margaret Hawley advised, "I am on fixed income, and in March my insurance will be $132.00 from one check. I am getting $455 and the $132.00 will come from that. I pay my house payment of $200.00 a month from this too. That doesn't leave me much to work with."

There were no additional citizens who wished to speak.

Mayor Leslie advised, "The Regular Meeting of Hinton City Council will be held Tuesday, November 17, 1998 at 7:30 p.m. At which time, there will be the final reading and whatever action the Governing wishes to take. There will also

be a hearing here in Hinton, I hope, and not in Charleston, that will be conducted by the Public Service Commission. "

HI. Adjournment

Mayor Leslie stated, "With there being no other citizens desiring to speak in regard to the proposed tariff increase for the sewer rates of the Sanitary Board, I declare the Public Hearing adjourned.

MAYOR

LPRICRECORDER

ACTS OF COUNCIL
Regular Session
Tuesday, November 17, 1998
7:30 p.m. - City Hall

1. Roll Call

All members of Council were present.

U. Devotions

Councilor Basham addressed the audience advising, "Giving Thanks Always For All Things; Ephesi.ans 5:20. Thanks to God for my Redeemer, thanks for all Thou dost provide, thanks for times now but a memory, thanks for Jesus by my side, thanks for pleasant, balmy springtime, thanks for dark and dreary fall, thanks for tears by now forgotten, thanks fur peace within my soul, thanks for prayers that Thou has answered, thanks for what Thou dost deny, thanks for storms that I have weathered, thanks for all Thou dost supply, thanks for pains, and thanks for pleasure, thanks for comfort in despair, thanks for grace that none can measure, thanks for love beyond compare, thanks for roses by the wayside, thanks for thorns their stems contain, thanks for home and thanks for fireside, thanks for hope, that sweet refrain, thanks for joy and thanks for sorrow, thanks for heavenly peace with Thee, thanks for hope in the tomorrow, thanks through all eternity."

Councilor Basham led in prayer. Mayor Leslie led in the Pledge of Allegiance.

III. Delegations

Chuck Maxant, owner of SewMistress located at 123 Ballengee Street, approached Mayor and Council requesting he be given a waiver on his B & 0 Tax for manufacturing. Mr_ Maxant explained, "We have no problem paying B & 0 tax on our home furnishing business; however the problem with this tax on manufacturing is when you bill and ship machinery outside of West Virginia. First of all, you do not have the right to collect taxes in. other states. When we send a quotation or a preform, if we write 'B & 0 Tax from the City of Hinton', they are going to bulk right away from buying from us. Of course, we are in a competitive climate. When it comes to overseas shipping and exporting, many countries require a proforrna from us to obtain a license to import that machinery. l can tell you right now that once that B & 0 tax shows up on an invoice, the foreign country is going to deny the import license. What is going to happen here is, I believe when this was brought up by the people who decided to put a B & 0 tax on manufacturers, they didn t realize the ramifications. We have had some set-backs in our business, but now we've already moved a partial factory from Florida to Hinton and we have already moved, two trailers to Hinton., next week there is a trailer coming in from New York. We are ready to start producing here. What is going to happen is, if we can't get this B & 0 tax repealed for manufacturing, we are going to have to use 123 Ballengee Street for warehousing and purchase a building on the other side of the river or in Alderson where we don't have this problem with a B & 0 Tax.

Mayor Leslie asked, "Are you going to manufacture?"

Mr. Maxant advised, "Absolutely."

Mayor Leslie stated, "So it's not being manufactured and shipped to Hinton for assembly; it is in fact going to be manufactured at 123 Ballengee Street?"

Mr. Maxant advised, "understand something, no one totally manufactures. If you take the three big automobile manufacturers, they don't totally manufacture.

But I want to explain to you what we are doing. We will be buying certain electrical components from outside manufacturers, but for all practical purposes, we will be manufacturing here in Hinton. The product will be shipped out of Hinton, If it works, our products will be going all over the world."

Mayor Legtic stated, "Maybe the whole gcopc of your work has changed, but to mc, what you would be doing is sales. I didn't know that you were going to be manufacturing. If you are manufacturing, then we need to address *this* matter."

Chuck Max-ant advised, "Yes, we arc going to be manufacturing."

Mayor Leslie advised, "1 don't, udderitaad, tt~Iess yea **are required under the law** to pane-on a B & 0 tan with cxpurtin and importin. You're auyin. that you put the B & 0 tax in the importers contract?"

Mr. Maxant advised, "Yes, in a proforma or a quotation. We have tu. We must show the B & 0 tax. We can't hide this tax because if that product is imported into a foreign country, and they find out there is a hidden tax, there is going to be a problem."

Councilor Meador asked Mr. Maxant how he dealt with the state corporate tax?

Mr. Maxant advised, "We don't have to itemize, we just ship because the state doesn't have any jurisdiction."

Counselor Ounnoe advised that he and Mr. Maxant have discussed this matter at great length, and the tax is a nominal percentage. If Mr. Maxant should choose to move out of town and rant/lease a building for this fee, if he is going to have a manufacturing facility, he obviously would need the services provided by the City of Hinton, such as Police protection, Fire Protection, parking, etc.

Mayor Leslie advised for every $1 Million of manufacturing that your business does, you pay the City of Hinton S3,000. "Are you saying that because of this fee, this prohibits your exportation business, or do you have to do a disclosure on exports?"

Mr. Maxant advised, "When we quote a price, we have to show on that quotation the l3 & 0 tax. T don't know what the legal ramifications would be if we tried to hide this B & 0 Tax."

Councilor Keffer advised, "We cannot give you a waiver on the B & 0 Tax. If we give you a waiver then we would be expected to give every other business a waiver. We use the B & 0 tax to pay the Police Officers, the Firemen and Ms. Cooper."

Councilor Meador stated, "Technically the B & 0 Tax is not on the equipment, it's on the amount of business you do, so why would you. have to itemize for each piece of equipment? It's just another part of doing business, just like paying your power bill."

Mr. Maxant advised he noticed when he pays the electric bill, the gas bill and when I go to Magic Mart the B& 0 Tax is listed on their bill.

After a great deal *of* discussion, it was decided the governing body would research this matter to find out how other municipalities deal with manufacturers exporting and how they deal with the B & 0 Tax on exporting, and would contact Mr. Maxant to fi►rther discuss this matter.

Mr. Maxant asked about the guidelines for installing a sign at his business located at 123 Ballengee Street.

Mayor Leslie advised 123 Ballengee is located within the Historic District. A plastic sign would not be approved, however a wood or wrought iron sign would be permitted.

N. Approval of Minutes of the October 20, 1998 Regular Meeting and the November 10, 1998 Public Hearing

Motion was made by Councilor Meador and seconded by Councilor Bashanl to approve the minutes of the October 20, 1998 Regular Meeting and the November 10, 1998 Public Hearing. The motion was unanimously approved.

V. Citizen Input

Margaret Hank advised, "When you have someone approach Council, they should identify themselves. If they are a resident, then they should state where they live.

"Also, the area Realtors need to be given a copy of the city ordinances to use when they sell to someone from out-of-town."

VI. New Business

A. Approval of Building Perimits

Councilor Wheeler advised, "There is one building permit that I object to. Putting on a shingle roof and doing some painting for $300.00; there is no way you can do this for $300.00."

Motion was made by Councilor Meador and seconded by Councilor Wheeler to approve the building permits for inside and outside the Historic District with the exception of the permit for 512 Greenbrier Avenue, pending documentation showing where roofing was purchased for $300.00. The motion was unanimously approved.

B. Approval of October, 1998 Invoices Paid

GENERAL FUND

Acme Limestone	Crusher run	1,045.70
Armory Equipment Sales	Misc. material	54.76
Berry, Bill	Tree removal	350.00
Board of Risk & Ins.	Liability & Property Ins.	4,000.00
Business Credit Leasing	Copier rental	240.00
Cellular One	Cell phone service	238.22
City of Hinton - Building Comm.	Municipal building	1,000.00
EFTPS	Employer matching fica	2,002.06
Fisher Auto	Signal light	8.99
Hampton Inn	Reservation	67.10
Hinton Lions Club	Brooms/mops	48.00
IIonaker Lumber Company	Misc. materials	1,450.56
Kroger Company	Fireman's Appreciation	39.07
Magic Mart	Misc. supplies	13.87
Midwest Disposal	Dumping fee	500.00
Miller. Gary	Meter repair	50.00
Mountaineer Sanitation	Arthelia Smith project	500.00
Pack, Ron	Mowing triangle park	35.00
Public Employees Insurance	Premium	3,512.43
Public Employees Retirement	9.5 % Contribution	2,402.7I
R & R Body Shop	Glass in cruiser	117.00
Richmond, Sam	Reimbursement	20.57
Rivertown Restaurant	Fireman Appreciation	60.00

Two Way Radio, Inc.	3 radios/Fire Dept.	1,164.00
U. S. Postal Service	200 stamps	64.00
West Virginia Power	Street lights	29,958.17
Wheeler, Katherine	*Dog* Warden/August	*350.00*
WV State Treasurer's Office	CVRILET & Jail Fee	50.00
WV.AWC	Water bill	639.95
		$49,982.16

Coal Severance Fund

No Activity "

Building*Commission*Fund

" No Activity "

Motion was made by Councilor Wheeler and seconded *by* Councilor Basharn to approve the October, 1998 Invoices Paid, as presented. The motion was unanimously approved.

C. Approval of October, 1998 Financial Statement

Clerk/Recorder, Cindy Cooper presented Mayor and Council with an Income Statement with the monthly revenues and expenditures for October, 1998. The Income Statement reflects line item account transactions for both revenue and expenditures, by category. The October, 1998 Income Statement, summarized below, is available in the Clerk/Recorder's office to the general public.

City of Hinton
General Fund
INCOME STATEMENT
For The Period of
October 1- October 31, 1998

REVENUE	
Property Tax	$ 29,997.84
Excise Tax on Utilities	4,810.01
Business & Occupation Tax	31,344.31
Hotel Occupancy Tax	25.18
Parking Violations	29.00
Licenses	392.50
Building Permit Fees	854.00
Miscellaneous Permits	34.00
Parking Meter Revenues	368.66
Fines & Court Cost	588.00
Interest Earned on Investments	56.51
Reimbursements	16.45
Accident Reports	30.00
TOTAL REVENUES	$68,546.46
Total Gross Profit	$68,546.46

EXPENDITURES	
Official Salaries-Mayor's Office	$ 750.00
Official Salaries-City Council	1,400.00
Salaries & Wages-City Clerk	2,963.08
Salaries & Wages-City Hall	824.00
Salaries & Wages-Police Department	9,994.93

Salaries & Wages-Fire Department	6,090.50
Salaries & Wages-Street Department	5,504.16
Pica Tax Expense-Mayor's Office	57.38
Fica Tax Expense-City Council	107.12
Fica Tax Expense-City Clerk	214.66
Fica Tax Expense-Custodial	57.26
Fica Tax Expense-Police Department	687.11
Fica Tax Expense-Fire Department	466.80
Pica Tax Expense-Street Department	411.73
Group Insurance - City Clerk	125.34
Group Insurance - Custodial'	194.99
Group Insurance - Police Department	1,618.42
Group Insurance - Fire Department	1,180.45
Group Insurance - Street Department	393.23
Retirement Expense-City Clerk	281.49
Retirement Expense-Custodial	78.30
Retirement Expense-Police Department	905.30
Retirement Expense-Fire Department	617.53
Retirement Expense-Street Department	520.09
Telephone-City Hall	238.22
Utilities - Street Lights	29,958.17
Travel- community Development	67.10
Maintenance & Repair-Police	117.00
Postage-City Clerk	48.00
Postage - Museum Commission	16.00
Dues & Subscriptions-Community Development	639.95
Insurance & Bonds - City Hall	500.00
Insurance & Bonds - Other Buildings	750.00
Insurance & Bonds - Police Department	1,000.00
Insurance & Bonds - Fire Department	1,000.00
Insurance & Bonds - Central Garage	750.00
Contracted Services - Police Department	50.00
Contracted Services-Dog Warden	350.00
Contracted Services-Street Department	350.00
Contracted Services-Landfill/Incinerator	1,000.00
Contracted Services-Parks	35.00
Remittance of Fees Collected - Police Department	50.00
Department Supplies - City Hall	368.57
Department Supplies - Other Buildings	13.87
Department Supplies-Fire Department	2,474.80
Department Supplies - Streets	1,279.29
Auto Supplies - Street Department	8.99
Capitol Outlay Building - City Hall	1,000.00
TOTAL EXPENDITURES	577,508.83
Total Net Operating Income (Loss)	$ (8,962.37)
Net income (Loss) Before Tax	$ (8,962.37)
Net Income (Loss)	$ (8,962.37)

Motion was made by Councilor Wheeler and seconded by Councilor Keffer to approve the October, 1998 Income Statement, as summarized. The motion was unanimously approved.

D. 2' Reading and Adoption of Ordinance to change Rate Structure of Hinton Sanitary Board

Motion was made by Councilor Meador and seconded by Councilor Wheeler to dispense with the actual reading of the following Ordinance

to change the rate structure of the Hinton Sanitary Board. The motion was unanimously approved.

Larry Fox, owner of Fox Photographics, approached Mayor and Council asking what amount of revenue would the rate increase generate.

Mayor Leslie advised, "I am not sure, but I think it is approximately $46,000. annually."
Mr. Fox asked. "In Avis, &Ides Car Wash has wells dug, how is their sewer usage regulated ?

Mayor Leslie advised, "Fades Car Wash is billed based on water consumption. "

Motion was made by Councilor Wheeler and seconded by Councilor Basham. to approve the 2 "d Reading and Final Adoption of the following . ordinance to change the rate structure of the Hinton Sanitary Board. The motion was unanimously approved.

CITY OF HINTON SANITARY BOARD

PROPOSED TARIFF
October 20, 1998
for the City of Hinton

AVAILABILITY OF SERVICE

Available for residential and commercial sanitary sewer service.

RATE

$5.50 per one thousand gallons of metered water usage per month

MINIMUM CHARGE

$11.00 per month

FLAT RATE

For all customers who are not connected to the Water Company's water system, the charge for sewer will be based on the assumption of 4,500 gallons per month.

TAP-IN FEE

$150.00

DISCONNECT FEE

For non-payment of sewer bills, the Sanitary Board may have the customer's water disconnected for which there will be a fee to the Sanitary Board of $20.00. Service shall actually be discontinued only after at least 24 hours written notice shall have been given to the customer by the Sanitary Board that bills are five or more days delinquent; provided, however, where a dangerous condition is found to exist on the customer's premises, the water may be shut off without notice in advance. In no case shall the Sanitary Board discontinue service on Friday, Saturday, Sunday or a day prior to a holiday or a holiday, unless an emergency exists. All disconnections shall be performed between the hours of 8:00 a. m. and 4:00 p.m.

RECONNECT FEE

If a customer's water is disconnected for non-payment of sewer bills, the Sanitary Board will charge a $20.00 free to have the water company reconnect the water after the sewer bill has been satisfied.

DELAYED PAYMENT PENALTY

The above tariff is net. On any account not paid in full within twenty days of the dale of the bill, ten percent will be added to the net amount due. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

E. Approval of Resolution to Authorize Business Cards

Motion was made by Councilor wheeler and seconded by Councilor Meador to approve the following resolution:

RESOLUTION

***Be** is **resolved,** that the* Mayor and Council of the City of Hinton are hereby authorized and empowered to obtain credit in the form of VISA BusinessCardS, an amount not to exceed 51,000. in aggregate from time to time on behalf of the City of Hinton and to be bound by the terms and conditions of the Visa/MasterCard Account Agreement and to deliver in the name of the City of Hinton all documents as required by the First National Bank of Hinton.

***Resolved** this* 17 day *of* November, 1948.

James A. Leslie, Ii., MAYOR

Betty 4o Basham, PRESIDENT OF COUNCIL

Gene Keffer. MEMBER

Larry/K. Me' dor, MEMBER

Bobby L.` Wheeler. MEMBER

ATTEST:

Cynthia S. Cooper, CLERIC CORDER

F. Establishment of Police Civil Service Commission

Councilor Wheeler reported that he has talked with the Greenbrier Lodge in Lewisburg and will know something definite by the next Council

meeting. Councilor Wheeler asked Chief Adkins if he would submit a name of a person who the Police Department would like to have represent them as a Police Civil Service Commissioner.

G. Consideration of Contract with WV DOT for re-routing of Sewerage line underneath Bellepoint Bridge (Greenbrier River side)

This agenda item was tabled.

H. 1st Reading of Ordinance to enact "Clean Indoor Air Regulations"

Motion was made by Councilor Meador and seconded by Councilor Keifer to dispense with actual reading of said ordinance. The motion was unanimously approved.

Copies of the Ordinance to enact "Clean Indoor Air Regulations" were distributed to citizens in attendance. In addition, copies will be made available at the Summers County Court House, the Summers County Library and the Post Office. A copy will also be sent to the five restaurants that have a seating capacity of over thirty.

Motion was made by Councilor Wheeler and seconded by Councilor Keifer to approve the first reading of an ordinance to enact "Clean Indoor Air Regulations." The motion was unanimously approved.

VII. Reports

A. Legal Notices, Unsafe Buildings, Clean-up, Litigation

Counselor Gunnoc reported on on-going legal matters pertaining to the betterment of our community.

Councilor Meador advised he has received complaints about the apartments next door.

Chief Adkins reported he has been trying to get in touch with Otis Long about the matter on Greenbrier Drive.

B. Adoption of Standards to Consider in Permitting "links" to Our WebSite

Mayor Leslie presented the following hand-out for consideration, advising to add to this list and bring any additions to the next Council meeting.

1) The requesting "link" must compliment, and be of benefit to, our website.
2) As a minimum, the requesting "link" must have a website "equal to or better than" our website, including consideration of monetary investment_
3) No "link" to the following types of websites shall be considered:

   a) political
   b) religious
   c) personal
   d) cult
   e) sexually explicit other offensive material

C. Evacuation Plan for Summers County High School

Steve Pack presented Mayor and Council with a finalized Evacuation Plan for Summers County High School.

The purpose of this plan is to provide for the orderly evacuation of students and staff of Summers County high School in the event of a railroad emergency.

Several meetings were held with CSX officials, the principal of Summers County High School, City of Hinton governmental agencies, including City Council Members, Fire Department and Emergency Services, Board of Education Maintenance Supervisor and Transportation Director.

This plan is presented for review by all contributing agencies.

CSX ran a study of the trains and the speeds during a brief period. All of the trains traveling in the area of the school ran below the CSX posted speed limits. Also, it has been discovered by the committee that over 90% of the trains hauling hazardous materials travel by the high school when a minimum number of people would be at the facility, that being 10:30 pm - 6:30 am daily. The majority of derailments possible would involve coal trains.

A review of hazardous materials transported on this segment indicate that the majority of the materials present little *or no* off-site hazard in the event of a release.

Councilor Meador advised, "I would like to commend Steve Pack, Ray Pivont, Harry Keaton and CSX for hard work put forth in this project."

This finalized "Evacuation Plan for Summers County High School", as approved by the Summers County Board of Education, will be on file at the Clerk/Recorder's office for public review.

Summers County High School
Evacuation Plan in the Event of a Railroad Emergency

In the event of an emergency involving the railroad in the vicinity of Summers County High School, the following plan should be followed:

Proper Notification: In the event of an emergency involving the railroad, school officials or citizens need to call 911 and the CSX Emergency Number:

CSX Emergency Number 1-800-232-0144

After making contact with 911 and CSX, give them the following information:

Describe what is known about the emergency situation and give the location of the emergency: CSX Milepost Location: CA 360 (this is the milepost directly in front of the High School) After contacting CSX and providing the Milepost Location, school official andlor 911 Dispatchers will also need to provide the name of a contact person and a contact phone number so that CSX officials can get back to the school contact person andlor 911 Dispatchers with any information that is available. Any officials outside the 466 exchange can call (304) 466-5613 or (304) 466-5616 for the Summers County 911 Dispatch Center.

Summers County High School Phone Number: (304) 466-6040

Summers County High School Chain of Command

Principal
Assistant Principal

Athletic Director
Tom Fitzsimmons
Terri Kirkham
Robin McNeer
Mike Allen

In the event of telephone disruption

School officials shall establish a list of cell phones to be available at the school This information will be furnished to the Summers County Office of Emergency Services and the Enhanced 911 Center.

The flow of air coming into the school will be shut off until the school has been notified that it is safe to turn it back on.

School officials shall train students and staff to remain indoors in the event of a derailment (shelter-in-place) until incident commander authorize otherwise. The school will develop a plan for the orderly evacuation of approximately 50 students per bus per grouping. Also the school will maintain walkie-talkies to communicate with the transportation department. The school principal/school nurse should identify students/staff with potential medical problems.

Other Information

City/County response will be handled by the Fire Chief, or in his absence, the line of officers of his department. This will establish the Incident Commander.

EMS will be activated and will place a helicopter on standby. The coordinates of the landing zone have been entered into the flight computer. Arrival time for a helicopter is 26 minutes from two of the closest locations.

CSX will provide information as to the contents of the train, including any hazardous material that it might contain. CSX and its officers, Fire Department personnel, EMS, and Chemtrac at 1-800-423-9300 shall help the Incident Commander make the decision of evacuation or shelter in place.

CSX advised that in a train derailment_, it could take several hours before the *crossing* would be cleared. In the event that evacuation is necessary, depending upon location of derailed cars the preferred route of evacuation would be through the Bass Lake property to the Fox Addition Road crossing.

At Fox Addition Road, buses will stay at Route 20 and students will walk approximately 112 mile through Bass lake. Buses will transport students to Middle School gym, where they will board their buses to return home after all students are transported from SCHS.

The preferred method, if possible, will be to shelter-in-place and wait for CSX to clear the main crossing at the school.

Due to dangers of ignition, no smoking materials, lighters, matches, etc. are permitted throughout the evacuation process.

Route 20 would be closed in both directions with the assistance of the City Police, State police, and Sheriff Departments of Raleigh and Summers Counties and Summers County Volunteer Fire Department in the Fox Addition area. The Department of Highways on interstate 64 would be notified to erect signs that Route 20 is closed. Additional help

can be provided by Green Sulphur District Fire Department a the Sandstone interchange.

Shelter-in-place procedures will be posted in each room of the high school. This procedure should include but not be limited to transportation incidents involving chemical emergencies.

Athletic Game Procedures: Same basic procedures to he followed.

Procedures to be posted in the press box, announced before events. (In absence of PA emergency vehicle PA can be used.)

In the event of an emergency which blocks the normal exit from the school property the following procedures will be used. School officials are responsible for a plan for the management of event attendees and sheltering-in-place. Procedure for football events would be for all in attendance to walk across and be sheltered in the high school gym.

Media contactswillbe provided by Paul Blankenship,'Transportation Director.

Department of Highways	466-2810
WMTD	466-1380 extension 16
WJLS 99.5	253-9557
J104	I-304-325-7045
WOAY (Oak Hill)	1-304-469-3361
WVVA	1-304-324-0656
WT'NJ	1-304-877-5592
WVPRN (Roanoke)	1-800-633-4560
95 FM	1-540-345-3841

D. Municipal Judge

Mayor Leslie reported that Amy Berry Richmond has received her certification as a Municipal judge and was sworn into office earlier this evening.

E. Department Heads

Chief Adkins reported that with the assistant of Councilor Meador, the CRISWATCH software has been installed_ This software application will provide our law enforcement personnel the ability to complete and file all reports electronically. Chief Adkins advised that Sam Richmond is going to a two-day seminar in Richmond, Virginia to receive on-hands training for this program. In addition, Councilor Meador is going to set-up a training session at the Summers County High School to train each City Officer, as well as the County and State Law Enforcement Officers, if they are interested.

VIII. Discussions

The next regular meeting of Hinton City Council is scheduled for Tuesday, December 8, 1998 at 7:30 p.m.

IX. Personnel

None.

X. Adjournment

Upon motion by Councilor Keller and seconded by Councilor Wheeler, the regular meeting of Hinton City Council stood adjourned at 9:11 p.m.

MAYOR

J(-f ~lr`s

E K/RECORDER

I, Fred Long, publisher of Hinton News a newspaper in Summers County, West Virginia do hereby certify that the annexed Notice was published in said newspaper for two successive times on the following dates, Sept. 2, 9, 2003

THE PRINTERS FEE THEREFORE IN $74.B1

Given under my **hand** this 9 day of September, 20 03

State of West Virginia) **Publisher**

County of Summers) to wit:

Subscribed and sworn to before me this 9 day of Sept f ber, 20 03

My Commission expires January 17, 2005

NOTARY PUBLIC - OFFICIAL **SEAL**
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 Cedar Ave., Hinton WV 25951
My commission expires: 1-17-2005

Nellie M. Robertson
Notary Public

COPY OF PUBLICATION FROM THE HINTON NEWS

LEGAL NOTICE

NOTICE OF PUBLIC HEARING ON THE CITY OF HINTON BOND ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a regular meeting of the Council of The City of Hinton (the 'City") to be held on Tuesday, September 16, **2003,** at 7:00 p.m. at the City's **Sidetrack** Park, Hinton, West Virginia, and at such heating any person interested may appear before the Council and present protests, and all protests and suggestion shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

Ordinance authorizing the acquisition and construction of additions, betterments and improvements to the existing public sewerage system of the City of Hinton and the financing of the coat thereof, not otherwise provided, through the issuance by the City of not more than **$775,000 in aggregate** principal amount of sewer revenue bonds, series **2003** a (West Virginia **SRF** Program); providing for the rights and remedies of end security for the registered owners of such bonds; authorizing execution and delivery of all documents relating to the amino' of such bonds; approving, ratifying and confirminga bond purchase agreement relating to such bonds; authorizing the sale and providing for the terms and provisions of such bonds and adopting other provisions relating thereto.

The above-named Ordinance was approved by the Council on August 19, **2003.**

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The pity contemplates the issuance of the Bonds described in the Ordinance. The proceed. of the Bonds will be used to provide permanent financing of the costa of acquisition and construction of betterments, additions and improvements to the sewerage system of the City and to pay certain costs of issuance of the Bands and related coats. The Bond' are **payable** solely from revenues to **be derived free. the ownership and agaration of the** sewerage **system** of the City. No taxes may at any time **be ludsit-?adhe payment** at **the** Bends er the interest thereat. -

Acurdled espy of theabove-entitled Ordinance is on **fib** with **the Council** at the **oak.** of **the** 11sss.der for review **by** interested parties **during regular** office hours.

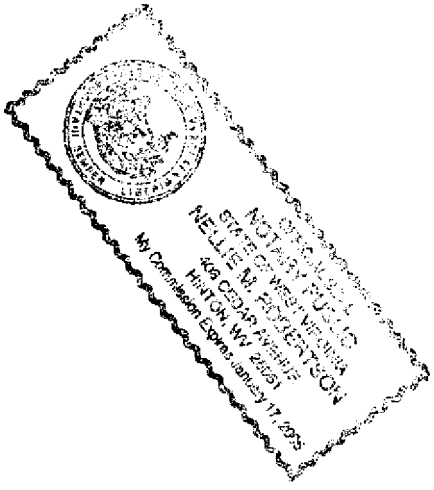
Following the public hearing, the Council intends to enact the Ordinance upon fines reeding.

Dated: August 19, **2003.**

Cris Meadows

Recorder

HN Sept. 2, 9



THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

EXCERPT OF MINUTES ON ADOPTION
OF RULES OF PROCEDURE AND SUPPLEMENTAL RESOLUTION

The undersigned Recorder of The City of Hinton (the "City") hereby certifies that the following is a true and correct excerpt of the minutes of a regular meeting of the said City:

The Council of the City met in regular session, pursuant to notice duly posted, on the 16th day of March, 2004, in Hinton, West Virginia, at the hour of 7:00 p.m.

PRESENT:	Cleo P. Mathews	-	Mayor
	Cris Meadows	-	Recorder
	Larry Meador	-	Councilmember
	Bobby Wheeler	-	Councilmember
	James "Pat" Jordan	-	Councilmember
	Alan Stone	-	Councilmember
ABSENT:	None.		

Cleo P. Mathews, Mayor, presided, and Cris Meadows, acted as Recorder. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

The Mayor presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2004 A (WEST VIRGINIA SRF PROGRAM), OF THE CITY OF HINTON; CHANGING THE SERIES DESIGNATION; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Bobby Wheeler and seconded by Al Stone, it was unanimously ordered that the said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

Thereupon, the Mayor presented proposed Rules of Procedure for consideration and there was discussion. Thereupon, upon motion duly made by Bobby Wheeler and seconded by Larry Meador, it was unanimously ordered that the said Rules of Procedure be adopted and be in full force and effect on and from the date hereof.

*** ***

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of The City of Hinton and that such actions remain in full force and effect and have riot been amended, rescinded, superseded, repealed or **changed.**

WI'T'NESS my signature on this 30th day of March, 2004,

Recorder

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CL866701. 1

ACTS OF **HINTON** CITY COUNCIL
Regular Meeting
TUESDAY, JULY 22 2003
7:00 P.M. ---CITY SIDETRACK PARK

Call to Order:

Mayor Mathews called the regular meeting of the Hinton City Council to order.

Roll Call

Everyone was present.

Welcome

The Mayor welcomed the citizens to the meeting.

Prover/Devotions

Rev. Lynn Maddy led in prayer and the Pledge of Allegiance.

Update on Projects

The Mayor stated that Larry Meador has served the public now for twenty years and we will celebrate after the meeting everyone is welcome to stay. Mayor Mathews stated that this would *be* the 2nd reading for the Development Authority Change of Codes.

CHAPTER 33. MISCELLANEOUS COMMISSIONS
Article 111. **Hinton Development Authority**

Section 1C Creation and Authority.
There is hereby created a public corporation to be known as the Hinton Development Authority pursuant to the **provisions** of West **Virginia Code** 7-12 **(1986).**

Section 15 Purposes.
The purposes for which the **Hinton Development Authority** is created are the same as those set forth in West Virginia Code 7-12-2 **(1986).**

Section 16. **Board.**
The management and control of he Hinton Development Authority shall be vested in a Board of five persons who shall be the residents of the City of **Hinton.** One member of **the Board** shall be the Mayor or a member of City Council if the Mayor **chooses not** to serve. **Appointments to the Board shall be nominated by the Mayor and approved by the City Council and shall be drawn from business, industry, labor, and other facets of the community interested in the development and prosperity of the community.**

Councilmen Meador made a motion to approve the second reading of the Development Authority, Councilmen Stone seconded the motion. The motion carries.

Building Permits

The Mayor requested the Building Permits be approved for June 2003, Councilmen Jordan makes a motion to approve the building permits, and Councilmen Stone seconded the motion. The building permit for a billboard was tabled to next meeting for clarification on the code. Councilmen Meador asked about the permit on Riverside Drive check to see if **it** is in the flood plain.

Ayes: Jordan, Mathews, Meador, Stone, Wheeler
Nays: None
The motion carries.

Approval of Paid&Unpaid Invoices

The Mayor requested approval of the Paid Invoices some were discussed. Councilmen Stone makes the motion to approve June paid invoices, Councilmen Meador seconded the motion.

Ayes: Jordan, Mathews, Meador, Stone.
Nays: Wheeler
The motion carries

Allegheny Power	$860.38	Gas for City Buildings
Andy's Locksmith	$5.00	Keys for Police Department New Officers
Atkinson Distributors	$32.60	Supplies for Waterslide
ATN	$19.75	Long Distance for City
Bluestone Tires	$25.00	Exhaust for the Backhoe Street Dept.
Cellular one	$17.85	Fire Departments Cellphones
City National Bank Card	550.61	Training for Cris Auditor Seminar Fee

CSSI	$1,042.50	Computer Maintance For 0703-0804
Dr. Day	$35.00	Physical for Steven Gray
EFTPS FICA	$4,607.91	Federal Payroll Tax
EFTPS Medicare	$1,054.37	Federal Payroll Tax
EFTPS Federal Tax	$10,699.74	Federal Payroll Tax
Glenwood	$22.74	Supplies for Street Dept.
Bellepoint Church	$750.00	Paving for alley behind Bellepoint Church
Greenbrier County Landfill	$557.60	Commercial Waste
Magic Mart	$29.85	Faucet for men's Bathroom City Hall
Ronk's Uniforms	$4,065.48	Uniforms for new officers
Southern Sanitation	$50.00	Trash Pick Up for City
State Electric	$397.78	Supplies for Street Dept.
Summers County ARH	$144.00	X-Ray for Steven Gray
Sweet Springs Valley Water	$10.00	Cooler Rental for Street Dept.
Thyssenkupp Elevator	$195.55	Elevator for City Hall
Two Way Radio Inc	$103.00	Batteries for Fire Dept. Radios
Unemployment Compensation	$1,941.00	Unemployment Comp
WV Public Credit Union	$75.00	Ralph Trout's Credit Union
WV PEIA	$824.26	Insurance For City Employees
WV Public Retirement	$2,525.39	Retirement for City Employees
WV State Tax	$751.70	State Tax
WV Uniforms	$228.98	New Shirts for Fire Dept
WV Worker's Comp	$792.97	Workers Comp
Total	$31,916.01	

The Mayor states that next is the Unpaid Invoices Councilmen Meador makes motion to approve the unpaid invoices, Stone seconded the motion.

Councilmen Ayes: Jordan, Mathews, Meador, Stone and Wheeler

Nays: None

The motion carried

EXPENDITURES AND NET REVENUE - JUNE 2003

DOG TAX	$18.00
BUILDING PERMITS	$453.57
YARD SALE PERMITS	$12.00
CITY LICENSE	$1,658.50
B&O TAX	$153,002.01
2% EXCISE TAX	$3,219.07
ACCIDENT REPORTS	$15.00
PROPERTY TAXES	$6,218.31
COURT COSTS/FINES	$405.65
WATERSLIDE SALES	$2,517.26
INTERESTED EARNED	$126.33
PARKING TICKETS	$30.00
GRANT FOR SIDEWALK	$8,145.01
FEMA MONEY	$5,473.60
GALL'S REIM	$185.68
STOP GRANT	$242.59
BUILDING COMM TRUST	$16,248.75
BUILDING COMM	$250.00
TOTAL RECEIPTS	$198,221.33
TOTAL EXPENDITURES	$160,740.92
NET REVENUE	$37,480.41

The Mayor states next is the approval of the Financial Report for June 2003.Councihnen Stone made a motion to approve the financial report for June 2003, Councilmen Meador seconded the motion

Ayes: Jordan, Mathews, Meador, Stone, Wheeler

Nays: None

The motion carries

Sewer Revenue Bonds The Mayor stated that this is the first reading of the Sewer Revenue Bonds. The City of Hinton Sewer Revenue Bonds, Series 2003 A (West Virginia SRF Program) Petition of Sanitary Board The Sanitary Board of The City of Hinton (the City) herby petitions the Council of the City to enact an ordinance directing that sewer revenue bonds of the City be issued pursuant to the provisions of Charter 16, Article 13 of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed $775,000 for the purpose of financing a portion of the cost of acquisition and construction of certain additions, betterments and improvements to the existing sewerage system of the City, together with all necessary appurtenances, and the costs of issuance and related costs. Directed this l 8 `h day of July, 2003.

THE CITY OF HINTON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF HINTON AND THE FINANCING OF THE COST THEROF, NOT OTHERWISE PROVIDED THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $775,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERTO.

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

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01 Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The City of Hinton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State.

Councilmen Stone made a motion, Councilmen Meador seconded the motion.
Ayes: Jordan, Mathews, Meador, Stone, Wheeler.
Nays: None
The motion carries

Legal Notices and Unsafe Buildings

Councilmen Stone states that we need to se up an appointment with a building inspector from Beckley and some of the Council Members should attended also. The Mayor states that the City Managers office has served some Correction Notices. City Manager Cris Meadows states that the police officers have issued some and they have been taken care of. Mr. Meadows states that to his knowledge there is only one that has not been take care of.

Councilmen Wheeler introduced a petition by residents of Avis. They are asking that the swamp land behind Pleasant Street be made clean & free of debris. They stated that the swamp area attracts mosquitos and rats. This petition has been signed by 101 people. City Manager Cris Meadows said he would initiate the investigation by the Health Department by contacting Chad Meador.

Department Heads

City **Attorney's office** stated that we need to check the City Code to see if you already have a dog ordinance. Cris Meadows stated unless specific dogs are named, then we are covered with the current version in the code.

Fire Department Mr. Pivont states that there is a problem on Ballengee and 7`h Avenue and Lower Ballengee the fire trucks can't get up the street for people parking. We need to put sign up so people will not park there. The Mayor states she will get Ralph Trout to check it out.

Public Works

Councilmen Jordan stated that the council members need to make the decision on paving the streets and not leave it up to Ralph.

Municipal Judge Curtis Shaver states that there is a problem in the Avis area where they are working on the road, you have to zig zag through there. If the cars parked there would park on the other side of the road we would not have this problem. He states that some one needs to ask them to park on the other side of road until the road work is finished.

The Mayor states that there will be a public meeting on the New River Parkway on August 14, 2003 from 4-7 **pm** at the Summers County High School; Mayor stated that she would like everyone to attend to help support the New River Parkway.

Delegations /Public Input

Mrs. Fitzwater questioned the 310 6th Avenue property and the council members and Mayor had a discussion on the property and the Annual Appointment by the City to the Council of Aging. Mrs. Fitzwater had two documents for HUD on the property on 310 6th avenue stating that it was supposed to be used as a non-profit organization. Mrs. Fitzwater read the following so it would be in the minutes:

TO Mayor Mathews and City Council Members

After many questions about the HUD house sold to the City of Hinton under the Good Neighbor Program, I contacted Cheryl Walker at the REO Division of HIJD and over the past 6 months have compiled the following information about the HUD House that became known to the City of Hinton as the "Police House" located at 310 6th ave.

1. In the City Council Meeting Minutes for June 29, 2000, the following appeared.

#VI (I)

HUD- Motion was made by Councilor Wheeler and seconded by Councilor Keffer to approve the purchase price of residence located at 310 O'h Ave. from HUD at a purchase price of $1.00. The motion was unanimously approved.

Councilor Wheeler and City Mgr. Cindy Cooper will meet with a HUD representative to make application to purchase this property. It is the intent of the city to utilize the house as lodging for law enforcement personnel.

2. Under the Freedom of Information Act I was sent a copy of the sales contract dated July 5, 2000 signed by Cynthia Cooper with an "Addendum to Sales Contract" attached and also signed by Cynthia Cooper.

The Addendum states:

The proposed disposition strategy; goals and objectives for purchasing this property are: (Purchaser may list a number of alternative strategies here.)

Repair and rent to income eligible persons, or

Repair and sell to low income family

May want to rehabilitate and lease to a local non-profit for community services to neighborhood residents. Possible use as a safe house for abused women and children.

By signing this addendum I/We affirm that all profits from sales of HUD homes will go to support local housing/community development initiatives;

The following local government programs will benefit from the proceeds in excess of the cost to rehabilitate the property received from purchasing and subsequently selling the property:

(Typed in)

Local neighborhood residents and the City will benefit overall from the community service that the City of Hinton ultimately selects to be housed in the property. The City of Hinton will entertain proposals for several different community based non-profit organizations. Selection will be made by Mayor and Council.

By signing this addendum, L We agree to provide HUD's Home Ownership Center (HOC) Program Support Staff Director with an annual report that provides the status and details on all properties purchased under this program. The report, must include information on the ultimate purchaser, the amount of the profit realized on the final sale and where the profit was put back into local housing/community development.

Cynthia Cooper

Signature of purchaser and date

I see nowhere on this addendum any reference to this house being used as a "Police House", which former Mayor Leslie stated on June 29, 2000, one week earlier.

At this point, in my opinion, this COULD have been seen as defrauding the government, which under "Conditions of Sale" "0" reads: Warning: Falsifying information on this or any other from the Dept. of Housing and Urban Development is felony. It is punishable by a fine not to exceed $250,000 and/or a prison sentence of not more than 2 years.

Indeed, on Sept. 21, 2001 Monica Schuster sent a letter to former Mayor Jim Leslie stating that "because you did not provide an executed copy of the "ADDENDUM TO SALES CONTRACT" as required for your annual report, this office has obtained a copy of this document. The review of your report has been completed and it has been determined that you have not acted in accordance with the proposed disposition strategy."

Note the proposed disposition strategies again does NOT include use as a "Police House".

Your annual report states "There are no present plans to sell the property, which has been and still is being used as permanent housing for city law enforcement personnel" the current use of this property is not in compliance with *any of* the above stated items. As a result, a copy of this report has been forwarded to the Real Estate Owned Division (REO) for any and all further actions." The letter was signed by Monica Schuster, Director of Program Support Division.

On Oct. 2, 2001, Ms. Cooper wrote Ms. Schuster asking that the city be allowed to retain this home for police officers as a benefit as police officers made $7.00 an hour (at that time) or $14,560.00 annually. She also stated that the police officers "reside at this location rent free, paying only the utilities." Under the Freedom of Information Act, the records of those payments were requested by Brian Boyle and he was advised by current City Mgr. that no such records exist; raising doubts as to whether AGAIN was not given correct information.

Given this information tonight, Mayor and Councilmen, I ask that Councilman Wheeler be questioned as to whether he was indeed present at the meeting July 5, 2000, with Ms. Cooper and the HUD representative when the HUD representative was NOT informed of the intent of then Mayor and Council to use the house for police housing according to the Council Meeting Minutes of June 29, 2000. If, he indeed was present, I would like to know why he did not speak up, thus allowing then City Mgr. to give misleading statements.

Thank you. I look forward to a reply from Mayor Mathews and Council, especially Councilman Wheeler.

Signed by Virginia Fitzwater

She stated she had also given all the information to Mr. Meadows before and he had taken care of some tax form that needed filed. If they let an officer live there they have to give a 1099 to the officer because it is considered a benefit. Mr. Meadows is awaiting approval for use by a police officer. Councilman Jordan asked how long we had been in compliance and Mr. Meadows stated since the last letter we sent out. As of this date there has been no lease signed awaiting approval from HUD. Mr. Meadows stated that he had written a letter to the director of HUD telling them what the police officers are now being paid and to see if they would allow the city to use it for that. He is still waiting for a reply.

Mrs. Fitzwater also brought up another subject, January 31st of this year I wrote a letter to Larry, each of the councilman and the Mayor and I would like to read you part of that letter, you all read that and for those of you who haven't I would like to put this in there.

"Something has come to my attention I wish to make you aware of. Councilor Wheeler has represented the City of Hinton on the Summers County Council on Aging for some time. I understand it is an appointment term of one year. Councilor Wheeler was last appointed by the Council on August 21, 2001 which meant his term would expire August 2002. Going over the minutes I could not find where he had been reappointed in August 2002. I went over and I have in the letter June, July, August and Sept. minutes, I went back and went back to February I will give you a notarized statement 1 went line by line I could not find where he had been reappointed in August 2002.

Upon questioning city hall employees I was given a copy of the enclosed sheet. It reads the City of Hinton would like Bobby Wheeler to serve as representative and Cindy to serve as alternate. Since Bobby Wheeler was not appointed by the City of Hinton but by Cindy Cooper (see signature) and she appointed herself as alternate without the knowledge or consent of Council it raises the question of honesty and legality from Councilman Wheeler and Ms. Cooper. Note the date is about a week before she left.

The Mayor said the house issue was being addressed. There was discussion about the house and the neighborhood being happy to have them living in the house again. Mayor Mathews said we are trying to be in compliance.

The Mayor states that we will get in touch with the Senior Center and see what is asked of the City and address this at the next council meeting. Councilman Wheeler stated that he had this put on the agenda twice and it was removed by the Mayor. He said it had to be in Charleston, couldn't get on, Cindy signed it and I sent it out there. Nobody approved, I had no option, and it had to get there if I was going to serve, it got taken off and I could not get it on there. You took it off because you thought I was going to get into the Rex Cyphers thing, but that wasn't what it was.

Councilman Jordan told Mr. Meadows to stay on that HUD thing and get us some answers.

The next regular meeting August 19, 2003

Meeting adjourned

_____

MAYOR

_____

CLERK/RECORDER

ACTS OF HINTON CITY COUNCIL
Regular Meeting
August, 19, 2003
7:00 pm. - City Sidetrack Park

I. Call to Order/ Roll Call

Mayor Mathews called the regular meeting of the Hinton City Council to order. All members were present.

II. Welcome

Mayor Mathews welcomed everyone in attendance.

III. Prayer/Devotions

Rev. Lynn Maddy led the group in prayer and in the Pledge of Allegiance.

Update on Projects

Mayor Mathews welcomed the Summers County CVB Executive Director Kathy Upton. It was reported that the house where the technology center is to be located has been removed and progress is moving forward. The sewer project across the river pre bid meeting went very well. The final Parkway meeting the previous Thursday had good turn out and the majority of the people attending the Hydroelectric meeting with the Col. Bulen will be held September. The Tri-Cities Power Authority will also meet September 2"1 A representative from the Corp of Engineers, Ben Border is moving forward to procure a grant to cut the brush on the three pull over areas along the lake.

IV. Approval of Minutes for May, June, July Meetings

Councilman Meador stated that he discussed with the City Manager that the two sets of minutes have some typos that need corrected and made a motion to approve pending the corrections on the minutes, the motion was 2"d by Councilman Stone.
Ayes-Meador, Stone, Mathews, Jordan, Wheeler
Nays- none
The motion carries

V. Old Business

A. Billboard Discussion

There was a discussion about the billboard ordinance and Councilman Meador suggested that there be a maximum signage size added to this. Councilman Meador feels that a 16x 16 foot sign is the largest we should allow in the City. Councilman Wheeler feels that we need to give consideration to the billboard company because they had to give up a billboard where the new bridge is being built. Councilman Jordan made a motion to rework the ordinance and bring it back up at the next meeting. Councilman Wheeler 2"d.

B. Report on Avis Petition

City Manager Cris Meadows received a report from Chad Meador about the petition concerning water and mosquito's in Avis is going to be a major job to try and drain that area. The area is very swampy and has probably been that way forever. The property has not been cleared off and has very tall weeds *which* attract mosquitos. If a ditch is dug there has to he some way for the water to reach the river. Mayor Mathews said that it is not a problem the City can address because one, they don't know to whom the property belongs and two, it has traditionally been marshy there, so there is a concept of the assumption of risk it needs further study. Councilman Meador asked if the City could contact the Agriculture Department to sec if they can help come up with a drainage ditch. Councilman Wheeler said that part of the problem is that CSX is not taking as good care of their ditch lines as they used to.

Fred Long said he talked to the DOH inspector working on the bridge about it and he said we would need to bring the Department of Environmental Protection in. Councilman Jordan said he would like Ralph to look at it and give his opinion about what needs done.

VI. **New Business**

A. Approval of building/sign permits

Mayor Mathews announced that we are going to approve the new BOCA state code which is now an international code. It was announced that it is available to be read at City Hall and that this announcement will be considered the first reading. Councilman Meador made the motion to approve the first reading of the adoption of the amendments, Councilman Stone 2nd the motion.
Ayes- Meador, Stone, Mathews, Jordan
Nays- none
Abstained- Wheeler
The motion carries.

Councilman Jordan moved to accept the building permits, Councilman Wheeler 2nd

Ayes- Jordan, Wheeler, Mathews, Meador, Stone
Nays-none
Abstained- Stone on one involving HRDE
The motion carries.

B. Approval of July 2003 Invoices Paid

Mayor Mathews requested approval of the paid invoices, there was some discussion. Councilman Stone moved to accept the paid invoices, Councilman Meador 2nd

Ayes - Stone, Meador, Mathews, Jordan, Wheeler
Nays-none
The motion carries.

C. Approval of August 2003 Unpaid Invoices

Mayor Mathews requested approval of the unpaid invoices. Councilman Jordan moved that the unpaid invoices, Councilman Stone 2"d the motion.
Ayes- Jordan, Stone, Mathews, Meador, Wheeler
Nays- none
The motion carries.

Allegheny Power	$518.18	ELECTRIC FOR CITY BUILDINGS
AT&T	$44.79	LONG DISTANCE FOR CITY
BJW PRINTING	$71.44	SUPPLIES FOR CITY
BOXLEY	$50.38	GRAVEL FOR SIDEWALK ON BALLENGEE
EFTPS FICA	$1,399.07	FEDERAL PAYROLL TAX
EFTPS Medicare	$1,422.43	FEDERAL PAYROLL TAX
EFTPS Federal Tax	$5,081.62	FEDERAL PAYROLL TAX
FOSTER	$10.00	SUPPLIES FOR STREET
JARRELL'S EXXON	$30.50	GAS FOR POLICE DEPT
LANIER	$284.55	RENT ON COPIER
LEXIS NEXIS	$160.00	FOR CODE BOOKS FOR CITY HALL
MAGIC MART	$40.34	PAINT SUPPLIES CITY HALL
NEW RIVER ANIMAL HOSP	$22.41	EUTHANASIA
RAMEY FORD	$34.40	PARTS FOR POLICE CAR
SWEET SPRINGS	$10.00	COOLER RENTAL FOR STREET DEPT
SUMMER COUNTY SCHOOL	$842.75	GAS FOR STREET, FIRE, POLICE DEPTS
SUMMER ARH	$218.00	NEW POLICE OFFICER EXAM
TRIANGLE ONE STOP	$12.00	INSPECTION FOR STREET TRUCK
WV AMERICAN WATER	$1,182.18	WATER FOR CITY BUILDINGS
WEST VIRGINIA UNIVERSITY	$3,750.00	SHARE FOR EXTENSION AGENT
	$15,185.04	

D. Approval of Financial Reports for July 2003

B&O TAX	$99,642.12
2% EXCISE TAX	$11,594.67
COPIES FOR CHARTER	$14.50
DAM PROTECTION	$2,317.70
ACCIDENT REPORTS	$70.00
PRIVATE CLUB TAX	$415.02
WINE & LIQUOR TAX	$3,996.61
FLOOD REIMBURSEMENT	$6,617.08
INTEREST EARNED	$174.17
PUBLIC UTLITIES IRP	$671.00
PROPERTY TAXES	$1,854.37
COPS GRANT	$1,260.00
FRANCHISE FEES	$6,971.70
REINBURSEMENT FOR TREES	$191.00
COURT COSTSIFINES	$72.00
FIRE REPLACEMENT FUND	$7,288.23
BUILDING COMM TRUST FUND	$20,364.19
BUILDING COMM ZAPPER RENT	$250.00
WATERSLIDE SALES	$6,073.26
	$172,205.12
TOTAL RECEIPTS	$172,205.12
TOTAL EXPENDITURES	$144,681.82
NET REVENUE	$27,523.30

Mayor Mathews requested the approval of the financial reports, there was some discussion. Councilman Stone made the motion to approve the financial reports, Councilman Meador 2nd.
Ayes- Stone, Meador, Mathews, Jordan, Wheeler
Nays- none
The motion carries

E. Second reading of proposed Sewer Revenue Bond Ordinance

PETITION OF SANITARY BOARD

The Sanitary Board of the City of Hinton (the "City") hereby petition the Council of the City to enact an ordinance directing the sewer revenue bonds of the City be issued pursuant to the provisions of Chapter 16,Article 13 of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed $775,000 for the purpose of financing a portion of the cost of acquisition and construction of certain additions, betterments and improvements to the existing sewerage system of the City, together with all necessary appurtenances, and the costs of issuance and related costs.

Directed this 18th day of July, 2003

THE CITY OF HINTON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF HINTON AND THE FINANCING OF THE COST THEROF, NOT OTHERWISE PROVIDED THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN 5775,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND

PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERTO.

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

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01 Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The City of Hinton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State.

The first reading was July 27, 2003 with the second reading being done at this meeting. Councilman Stone moved, and Councilman Jordan 2' d.
Ayes- Stone, Jordan, Mathews, Meador, Wheeler
Nays- none
The motion carries

F. Discussion of Ordinance Regarding Bar opening/closing hours

After discussion this issue was tabled.

G. Recommendation to increase traffic violation fees

The Mayor requested the fees be increased for meter violations and parking the wrong direction fees. After discussion Councilman Meador made the motion that overtime parking fine be $3 and that parking against the flow of traffic start out at $10 subiect to change in the future if there are still problems. Councilman Stone 2 °d
Ayes- Meador, Stone, Mathews, Jordan
Nays- Wheeler
The motion carries.

VII. **Reports**

A. Legal Notices, Unsafe Buildings, **Clean-up, Litigation**

There were no legal notices. Unsafe buildings will be addressed with the new BOCA code. After discussion it was decided that instead of pick-up at homes there will be dumpsters in locations specified by the City with specific dates to be set by the City. There was discussion about what the new building inspector will do and what standards he will follow.

B. Department Heads

1. City Attorney - Nothing to report

2. Fire Department - Ray Pivont gave the council a report on activity and drills. It was reported about the painting of the Fire Station. Mr. Pivont reported on going to the Hinton house and making sure they all knew the proper way to use a fire extinguisher. The dept. is looking into buying a smoke machine to help in training with the breathing apparatus; the cost of the machine is about $300. Mr. Pivont also notified the council that they will need to replace some uniform equipment.

3. Public Works - The Mayor announced that the city wide yard sale will be August 29 & 30 h. There would be advertising in the area papers.

4. Municipal Judge - Mr. Shaver said they only had 2 or 3 cases to take care of in court. He reported that he had asked the police officers to pay closer attention to the convenience stores due to the sniper in the Charleston area.

5. Police Department - The report did not get done before the meeting.

6. Community Development - Chad Wykle reported that Cellular One would be opening a store in Hinton. It was also reported that a health club is thinking about opening a location here. The EPA assessment is progressing well.

VIII. Personnel - The council went into executive session and when they came back the Mayor reported that no decision was made.

A. Selection and Employment of Hinton Development Authority

Mayor Mathews recommended Jane Duffield, Patrick Jordan, Amy Mann, and Proctor Kirk to be on the authority. Councilman Meador moved that the individuals recommended by the Mayor be accepted, Councilman Stone 2nd
Ayes-Meador, Stone, Mathews, Wheeler
Nays- None
Abstain- Jordan
The motion carries.

B. Appointment of City **to Council Director on Aging Board**

The Mayor recommended herself as director and Cris Meadows as alternate. Councilman Jordan made the motion to appoint Councilman Wheeler as the director Councilman Meador 2nd
Ayes- Jordan, Meador
Nays-Mathews, Stone
The Mayor said the motion carries 3-2, however, Councilman Wheeler did not vote.

Councilman Jordan moved that Cris Meadows be appointed as the alternate, Councilman Wheeler 2nd
Ayes-Jordan, Wheeler, Mathews, Meador, Stone
Nays- None
The motion carries.

C. Other Personnel as needed

The Mayor recommended Garland Daniel as a part-time certified officer and it does not have to go through the Civil Service. There was discussion and the city attorney was questioned, he informed the Council that the officer could be hired part-time in an emergency situation without going through Civil Service. Councilman Stone made the motion to hire Garland Daniels on the basis as explained by the Mayor, part-time, Councilman Jordan 2nd
Ayes- Stone, Jordan, Mathews, Meador
Nays- Wheeler
The motion carries.

The Mayor recommended the hiring of Robert Cannon as Building Official for 2 days a month at $150 a day. Councilman Stone moved to do this, Councilman Meador 2nd
Ayes- Stone, Jordan, Mathews, Meador
Nays- Wheeler
The motion carries.

IX. Delegations/Public Input

Mr. Fitzwater wanted to address an unsafe building and said he would take it to the building inspector (?).

Mr. Oxley spoke in opposition to the hiring of the building inspector. He feels that it will add an extra expense on the citizen's of Hinton. He's not sure what this person will he doing but he's not aware of this document they are talking about like they are. The Mayor explained that we have contractors that don't get permits for the work they do in the city limits. They need to have a city license and pay B&O taxes. A discussion on the building inspector followed with the Mayor pointing out that we need an expert in the field. Mr. Oxley is worried that the building inspector will slow down new construction if the inspector has to inspect everything since he is only in town two days a month.

Kay Webb addressed the sign issue and the fact that there are State Laws regarding billboards. There were limitations on signs with height and size (McDonalds would never have been allowed in a Historic Town). We need a sign ordinance.

Mr. Tom Oxley questioned who decides what streets are paved, 17th Ave. by the garage needs work, and his son has patched holes. Councilman Wheeler said that he recommends that road get black topped since so many people use it. It was also brought up that the bridge on 17 O Ave. needs a rail.

David Harvey apologized for not being at the last few City Council meetings to update, he found out that most small cities usually do not get the police cars if they can't get the funding, he did not want the people to get worried. He did find out that Government Acquisitions has started a new program aimed for small cities. The new program will let you put ads on your current cars and the money from that will be escrowed for vehicles from Government Acquisitions. By next month he should have a contract for putting ads on the cars we have. He just wanted to give a report and bring the Council up to date. The city would have a say on any ads that would go on the cars. It will take about two months to get everything set up for the ads. David has been talking to different people about getting ads and will report more next month. He also asked for reimbursement of out of pocket expenses regarding this project.

X. Date of next Regular meeting is September 16, 2003

XI. The meeting was adjourned at 8:48 pm.

ClerklRecorder **Mayor**

ACTS OF HINTON CITY COUNCIL
Regular Meeting
September *16, 2003*
7:15 p.m.-City Sidetrack Park

I. Call to Order/Roll Call

Mayor Mathews called the regular meeting of the Hinton City Council to order. All members were present.

IL Welcome

The mayor welcomed everyone and stated we appreciate your coming out. We hope you will continue to come and show interest in your city.

III. Prayer/Devotions/Pledge of Allegiance

Since Rev. Lynn Maddy was not able to attend the Mayor had everyone stand and say the Lord's Prayer together, and then the Pledge of Allegiance.

Before the approval of the minutes the Mayor took the time to give an update on the New River Parkway and the Technology Center. She also said that the City is about to apply for their 3rd Flex-E-Grant for Strategic Planning, we should receive the grant by spring, also an artisan's co-op is being established in our area and they will be having a Christmas display.

Councilman Meador reported on the Web Site and what the people going to it have been looking for. There has been discussion about a Hometown Holiday Christmas type Celebration; hopefully Kathy Upton will be taking control of that. He also met with people about the I-64 technology corridor.

Councilman Stone spoke about the bridge and when it should be completed. He also mentioned the development around the bridge which they are trying to make aesthetically pleasing.

Mayor Mathews asked that the people of Hinton call the Governor's office about the demolition grant.

IV. Approval of Minutes

The Mayor requested that they do the July minutes again as something that had been read into the minutes was not in them before. Councilman Jordan moved to approve the minutes as they had been redone, the motion was 2nd by Councilman Meador.
Ayes- Jordan, Meador, Mathews, Stone
Nays- none
Abstained - Wheeler
The motion carries. 4-0-1

Councilman Meador moved to approve the August minutes; the motion was 2nd by Councilman Jordan.
Ayes- Meador, Jordan, Mathews, Stone, Wheeler
Nays- none
The motion carries.5-0

V. Old Business

A. **Signage** The Mayor asked for the Council to empower her to put together a package for the city. She asked that we try to come up with a theme to put on our signs. Councilman Stone recommended the city put an ad in the paper asking for ideas with possibly a prize for the winning idea. Councilman Meador suggested having the signs stating National Historic District off the interstate.

VI. New Business

A. Approval of Building/Sign Permits

Councilman Meador moved to approve the permits both within and without; the historic district the motion was 2"1 by Councilman Stone.
Ayes- Meador, Stone, Mathews, Jordan, Wheeler

Nays- none
The motion carries.5-0

B. Approval of August 2003 Invoices paid

The Mayor asked for the approval of the invoices paid, after discussion Councilman Stone moved to approve the expenses, the motion was 2 ¨d by Councilman Meador.
Ayes- Stone, Meador, Mathews, Jordan
Nays- Wheeler
The motion carries.4-1

C. Approval of Financial Reports for August 2003

The Mayor asked for the approval of the financial reports, Councilman Stone moved to accept the reports; the motion was 2 ¨d by Councilman Jordan.
Ayes- Stone, Jordan, Mathews, Meador
Nays- Wheeler
The motion carries.4-1

EXPENDITURES AND NET REVENUE - AUGUST 2003

	DOG TAX		$29.70
___	BUILDING PERMITS		**$480.00**
	YARD SALE PERMITS		$44.00
	CITY LICENSE		$275.00
	!B&O TAX		$37,167.90
	DAM PROTECTION		$1,928.18.
	2% **EXCISE** TAX		$5,07i.7161
	ACCIDENT REPORTS		$40.00
	(PROPERTY TAXES		**$23,869.65**
	000RT COSTS/FINES		$1,171.00
	WATERSLIDE **SALES**		$1,605.50
	PARKING TICKETS		$30.00
	REMIB OVERPAY TO **VERIZON**		$75.09
	REMIB. FROM IRS		**$2,083.89**
	BUILDING COMM TRUST		**$20,487.62**
	TOTAL **RECEIPTS**		**$94,615.03**
	TOTAL **EXPENDITURES**		**$94,980.611**
	,NET **REVENUE**		**($365.58)**

D. Approval of September 2003 Unpaid Invoices

The Mayor asked for the approval of the unpaid invoices, Councilman Meador moved to approve the invoices; the motion was 2 ¨a by Councilman Stone.

ARAMARK UNIFORM SERVICE	**335.49**	UNIFORMS FOR STREET DEPT MATS FOR CITY HAL
ATKINSON **DISTRIBUTORS**	**43.65**	**SUPPLIES** FOR WATERSLIDE
B & D **SIGNS**	300.75	SIGNS FOR **PARKING** METERS
BAKER SANITARY	**400.80**	**SUPPLIES** FOR CITY HALL
BECKLEY **NEWSPAPER**	**156.85**	ADVER. FOR PHASE II FOR DEPOT
BLUE FIELD DAILY NEWS	170.25	ADVER. FOR POLICE OFFICERS
CELL ONE	**188.19**	CELL PHONES FOR STREET, **FIRE** DEPT
CHARTER	145.45	INTERNET **SERVICES** AND CHANNEL 22
CROSS CONSTRUCTION	424.00	CLOSE THE WATERSLIDE
DR DAY	$ 35.00	PHYS FOR BRIAN HAMMONTREE PASSED INVOICE
FECHHEIMER	$ 36.45	UNIFORMS FOR FIRE DEPT
FOX'S PHOTOGRAPHIC	$ 2,968.00	**MAPS** OF ROADS AND ATTRACTION IN HINTON
FISHER AUTO PARTS	$ 90.31	AUTO SUPPLIES FOR STREET, FIRE DEPT
THE FOSTER COMPANY	$ 175.00	SUPPLIES FOR STREET DEPT
GALL'S	$ 114.74	UNIFORMS FOR POLICE DEPT
GARDEN STATE BATTERY	$ 101.84	BATTERIES FOR FIRE DEPT RADIOS
GLENWOOD	$ **505.24**	SUPPLIES FOR STREET DEPT
GREENBRIER LANDFILL	$ 160.80	COMMODITY COMMERCIAL WASTE
GREENBRIER AUDIOLOGIST & HEARING	$ 45.00	PHYSICAL FOR CA COOK
GREENBRIER NURSERIES INC	$ **655.00**	SUPPLIES FOR TREES FOR CITY
HINTON CHAIN SAW	$ 163.94	REPAIRED GENA. FOR FIRE DEPT
HINTON NEWS	$ 22.80	ADVER. FOR CITY YARD SALE
IMPA	$ 117.80	TEST FOR POLICE OFFICERS

JOSEPH BARKER	**$ 750.00 TRAINING SERVICES FOR EXTENSION OFFICE**
LAN I ER	**$ 270.32 RENT ON COPIER AT CITY HALL**
MAGIC MART	**$ 65.85 FILM FOR POLICE DEPT**
MOUNTAIN AIR CENTRAL VAC	**$ 499.50 MOWING THE CITY**
SOUTHERN WEST VIRGINIA ASPHALT	**$ 705.95 SUPPLIES FOR STREET DEPT**
SUMMERS CONCRETE	**$ 1,638.27 SUPPLIES FOR STREET DEPT**
STATE OF WEST VIRGINIA PURCHASING DIVISION	**$ 5,000.00 CD ROM FOR TREE BOARD**
SUMMERS COUNTY C.V.B.	**$ 1,500.00 MONTHLY FUNDING FOR EXECUTIVE DIRECTOR**
WV WATER COMPANY	**$ 495.69 WATER FOR CITY BUILDINGS**
WV PEIA	**$12,287.15 EMPLOYEES INSURANCE PEIA**
TWO WAY RADIO	**$ 348.00 PAGER SERVICE FOR FIRE DEPT**
WEST VIRGINIA CERTIFIED APPRAISER	**$ 1,000.00 SURVEY LAND IN AVIS FOR PARK**
WEST VIRGINIA STATE BOARD OF RISK	**$17,246.00 LIABILITY, PROPERTY INSURANCE**
AD WYGAL	**$ 60.40 QUALIFICATION AND TRAINING FOR NEW OFFICER;**
TOTAL **UNPAID INVOICES**	**$49,224.48**

Ayes- Meador, Stone, Mathews, Jordan
Nays- Wheeler
The motion carries.4-1

E. The **Third reading of the Proposed Bond Ordinance providing for the issuance** of Sewer **Revenue Bonds, Series 2003 A**

PETITION OF SANITARY BOARD

The Sanitary Board of the City of Hinton (the "City") hereby petition the Council of the City to enact an ordinance directing the sewer revenue bonds of the City be issued pursuant to the provisions of Chapter 16,Article 13 of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed $775,000 for the purpose of financing a portion of the cost of acquisition and construction of certain additions, betterments and improvements to the existing sewerage system of the City, together with all necessary appurtenances, and the costs of issuance and related costs.

Directed this 18th day of July, 2003
THE CITY OF HINTON

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE CITY OF HINTON AND THE FINANCING OF THE COST THEROF, NOT OTHERWISE PROVIDED THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $775,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2003 A (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERTO.

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

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01 Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The City of Hinton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State.

The first reading was July 27, 2003, the 2°d reading was August 19, 2003, the 3rd reading on September 16, 2003. Councilman Meador made the motion to approve the 3rd reading; the motion was 2nd Councilman Stone.
Ayes- Meador, Stone, Mathews, Jordan, Wheeler
Nays - none
The motion Carries.5-0

F. Approval of Resolution to Adopt Hazard Mitigation Plan

City of Hinton

WHEREAS, the City of Hinton Mayor and Council recognizes the threat that natural hazards pose to people and property: and

WHEREAS, undertaking hazard mitigation actions before disasters occur will reduce the potential for harm to people and property and save taxpayer dollars; and

WHEREAS, an adopted local hazard mitigation plan is required as a condition of future grant funding for mitigation projects; and

WHEREAS, the City of Hinton Mayor and Council participated jointly in the planning process with the other local units of government within the County the prepare a Local Hazard Mitigation Plan;

NOW, THEREFORE BE IT RESOLVED that the City of Hinton Mayor and Council, hereby adopts the Summers County Hazard Mitigation Plan as an official plan; and

BE IT FURTHER RESOLVED that the Summers County Commission will submit on behalf of the participating municipality the adopted Local Hazard Mitigation Plan to Federal Emergency Management Agency officials for final review and approval.

Read and adopted this 16th day of September 2003.

CITY OF HINTON

By_____
Cleo Mathews, Mayor

I, Cris Meadows, City Manager for Hinton, West Virginia, do hereby certify that the above resolution was adopted by the Hinton City Council at their meeting held on the 16th day of September, 2003 and that a quorum of the City Council members was present with a majority voting for the resolution.

_____
Cris Meadows, City Manager

Councilman Meador made the motion to approve and adopt the resolution; the motion was 2nd by Councilman Stone.
Ayes- Meador, Stone, Mathews, Jordan, Wheeler
Nays- none
The motion carries.5-0

G. **Approval of 2002- 2003 Financial Reports**

The Mayor requested the approval of the 2002-2003 Financial Reports, after discussion Councilman Stone moved to accept the Financial Reports; the motion was 2nd by Councilman Jordan.
Ayes- Stone, Jordan, Mathews, Meador, Wheeler
Nays- none
The motion cardes.5-0

GENERAL FUND

REVENUE		
PROPERTY TAX	$	228,726.18
GAS & OIL SEVERANCE TAX	$	-
EXCISE TAX ON UTILITIES	$	118,001.18
BUSINESS & OCCUPATION TAX	$	815,436.58
WINE & LIQUOR TAX	$	10,343.95
ANIMAL CONTROL TAX	$	154.80
HOTEL MOTEL OCCUPANCY TAX	$	-
PARKING VIOLATIONS	$	234.16
LICENSES	$	4,670.81
BULIDING PERMIT FEES	$	5,433.07
MISCELLANEOUS PERMITS	$	183.00
FRANCHISE FEES	$	27,742.93
PARKING METER REVENUES	$	1,463.71
FINES & COURT COSTS	$	4,043.95

POLICE PROTECTION FEES	$	13,069.61
FEDERAL GOVERNMENT GRANTS	$	6,392.00
STATE GOVERNMENT GRANTS	$	50,054.96
INTERESTEARNED ON INVESTMENTS	$	591.42
REIMBURSEMENTS	$	12,074.30
ACCIDENT REPORTS	$	440.00
MISCELLANEOUS REVENUE	$	10,087.99
EMPLOYEE REIMBURSEMENT	$	59.00
IRP FEES	$	25,912.98
PRIVATE LIQUOR CLUB FEES	$	617.87
PARK AND RECREATION	$	150.00
RENT & CONCESSIONS	$	3,797.75
LOTTERY	$	1,673.38
FLOOD REIMBURSEMENT	$	6,617.08
TOTAL REVENUES	**$**	**1,347,972.66**
EXPENDITURES		
OFFICE OF THE MAYOR		
MAYORS SALARY	$	11,000.00
FICA TAX	$	918.00
TRAVEL	$	714.05
DUES & SUBSCRIPTIONS	$	518.40
INSURANCE & BONDS	$	158.40
TOTAL OFFICE OF THE MAYOR	**$**	**13,308.85**
OFFICE OF CITY COUNCIL		
COUNCIL SALARY	$	21,500.00
FICA TAX	$	1,797.75
TRAVEL EXPENSE	$	904.40
INSURANCE & BONDS	$	316.80
TOTAL OFFICE OF CITY COUNCIL	**$**	**24,518.95**
CITY CLERKS OFFICE		
CITY CLERKS SALARIES	$	53,336.49
FICA TAX	$	4,222.28
GROUP INSURANCE	$	9,157.56
RETIREMENT EXPENSE	$	3,032.40
TRAVEL EXPENSE	$	379.01
POSTAGE	$	992.75
BUILDING & EQUIPMENT	$	2,636.80
ADVERTISING & LEGAL PUBLICATION	$	2,110.60
TRAINING & EDUCATION	$	1,686.88
DUES & SUBCRIPTIONS	$	1,179.88
AUDIT COSTS	$	10,570.00
INSURANCE & BONDS	$	725.16
CONTRACTED SERVICE	$	15,473.19
DEPT SUPPLIES & MATERIALS	$	5,224.56
COMPUTER SOFTWARE	$	7,086.95
TOTAL OFFICE OF CITY CLERK	$	**117,814.51**
POLICE JUDGE		
ADVERTISING EXPENSE	$	907.70
TRAINING & EDUCATION	$	425.37
PROFESSIONAL SERVICE	$	5,400.00
SUPPLIES & MATERIALS	$	85.00
TOTAL POLICE JUDGE	**$**	**6,818.07**
CITY ATTORNEY		
PROFESSIONAL SERVICE	$	10,400.00
TOTAL CITY ATTORNEY	**$**	**10,400.00**
COMMUNITY DEVELOPMENT		
TRAVEL EXPENSE	$	1,585.42
PROFESSIONAL SERVICE	$	23,241.92
SUPPLIES & MATERIALS	$	5,164.78
TOTAL COMMUNITY DEVELOPMENT	**$**	**29,992.12**
ELECTION		
CONTRACTED SERVICE	$	1,800.00
SUPPLIES & MATERIALS	$	950.75
TOTAL ELECTION	$	2,750.75

DATA PROCESSING		
COMPUTER SOFTWARE	$	4,528.20
COMPUTER HARDWARE	$	4,528.23
TOTAL DATA PROCESSING	**$**	**9,056.43**
CITY HALL		
SALARY & WAGES	$	29,347.00
FICA	$	13,324.86
GROUP INSURANCE	$	19,760.78
RETIREMENT	$	1,341.03
TELEPHONE	$	18,350.05
UTILITIES	$	8,550.22
MAINTENCE & REPAIR BUILDING	$	1,008.30
MAINTENCE & REPAIR EQUIPMENT	$	180.06
INSURANCE & BONDS	$	32,411.72
CONTRACTED SERVICE	$	13,250.81
DEPT SUPPLIES & MATERIALS	$	13,267.17
UNIFORMS	$	435.75
TOTAL CITY HALL	**$**	**151,227.75**
OTHER BUILDINGS		
UTILITIES	$	8,587.19
INSURANCE & BONDS	$	7,010.48
CONTRACTED SERVICE	$	1,551.50
SUPPLIES & MATERIALS	$	2,426.30
TOTAL **OTHER BUILDINGS**	**$**	**19,575.47**
POLICE DEPARTMENT		
POLICE SALARY	$	153,205.33
FICA	$	11,919.89
GROUP INSURANCE	$	2,838.92
RETIREMENT	$	18,044.84
TELEPHONE	$	2,086.96
TRAVEL	$	325.32
MAINTENCE & REPAIR EQUIPMENT	$	376.91
MAINTENCE & REPAIR AUTOS	$	8,259.12
ADVERTISING	$	1,808.65
TRAINING & EDUCATION	$	198.03
PROFESIONAL SERVICE	$	1,475.40
INSURANCE & BONDS	$	18,454.93
CONTRACTED SERVICE	$	6,362.34
REMITTANCE OF FEES COLLECTED	$	821.96
DEPT SUPPLIES & MATERIALS	$	13,177.48
AUTO SUPPLIES	$	8,834.81
UNIFORMS	$	2,985.07
CAPITAL OUTLAY EQUIPMENT	$	15,728.12
TOTAL POLICE	**$**	**266,904.08**
FIRE DEPARTMENT		
SALARY & WAGES	$	98,169.87
FICA	$	7,268.13
GROUP INSURANCE	$	3,369.74
RETIREMENT	$	9,801.82
OVERTIME	$	7,575.00
PAID FIRE CALLS	$	3,939.05
TELEPHONE	$	492.30
UTILITIES	$	5,083.67
TRAVEL	$	449.18
MAINTENCE & REPAIR BUILDING	$	1,039.94
MAINTENCE & REPAIR EQUIPMENT	$	921.17
MAINTENCE & REPAIR AUTO	$	6,013.97
POSTAGE	$	18.75
TRAINING & EDUCATION	$	1,056.85
INSURANCE & BONDS	$	14,641.41
CONTRACTED SERVICE	$	853.10
DEPT SUPPLIES & MATERIALS	$	1,879.27
AUTO SUPPLIES	$	660.59
UNIFORMS	$	1,978.24
COMPUTER SOFTWARE	$	2,036.54
CAPITAL OUTLAY	$	1,239.32

CAPITAL OUTLAY EQUIPMENT	$	17,429.46
TOTAL FIRE DEPT	**$**	**185,917.37**
DOG WARDEN		
CONTRACTED SERVICE	$	4,481.54
SUPPLIES	$	1,517.78
TOTAL DOG WARDEN	**$**	**5,999.32**
911 *SERVICE*		
CONTRACTED SERVICE	$	300.00
TOTAL 911 SERVICE	**$**	**300.00**
STREET DEPARTMENT		
SALARY & WAGES	$	76,855.47
FICA	$	5,781.99
GROUP INSURANCE	$	1,017.28
RETIREMENT	$	7,931.96
TELEPHONE	$	497.53
UTILITIES	$	310.09
TRAVEL	$	41.27
MAINTENCE & REPAIR EQUIPMENT	$	1,144.34
MAINTENCE & REPAIR AUTO	$	1,723.63
BUILDING & EQUIPMENT	$	223.56
INSURANCE & BONDS	$	12,639.44
CONTRACTED SERVICE	$	41,699.10
OTHER TAX & FEES	$	13.00
DEPT SUPPLIES & MATERIALS	$	24,084.45
AUTO SUPPLIES	$	7,293.67
UNIFORMS	$	2,586.62
CAPITAL OUTLAY EQUIPMENT	$	8,856.86
TOTAL **STREET DEPT**	**$**	**192,700.26**
STREET LIGHTS		
UTILITIES	$	42,684.85
TOTAL STREET LIGHTS	**$**	**42,684.82**
SIGNS & SIGNALS		
UTILITIES	$	280.85
TOTAL SIGNS & **SIGNALS**	**$**	**280.85**
SNOW REMOVAL		
DEPT SUPPLIES & MATERIAL	$	5,302.53
TOTAL SNOW REMOVAL	**$**	**5,302.53**
CENTRAL GARAGE		
UTILITIES	$	689.18
CONTRACTED SERVICE	$	155.70
SUPPLIES & MATERIALS	$	30.49
TOTAL **CENTRAL GARAGE**	**$**	**875.37**
LANDFILL		
CONTRACTED SERVICE	$	4,328.78
TOTAL LANDFILL	**$**	**4,328.78**
LOCAL HEALTH DEPARTMENT	**$**	**4,000.00**
PARKS & RECREATION		
SALARY & WAGES	$	16,350.32
FICA	$	1,546.56
UTILITIES	$	6,710.17
INSURANCE & BONDS	$	6,454.84
CONTRACTED SERVICES	$	3,079.85
SUPPLIES & MATERIALS	$	3,754.95
CAPITAL OUTLAY	$	1,031.00
TOTAL PARKS & **RECREATION**	**$**	**38,927.69**
VISITORS BUREAU		
UTILITIES	$	1,226.54
CONTRACTED SERVICES	$	66.48
TOTAL **VISITORS BUREAU**	$	**1,293.02**

FESTIVAL SUPPLIES & MATERIALS	**$**	**1,345.50**
YOUTH PROGRAM		
CONTRACED SERVICES	$	875.00
SUPPLIES & MATERIALS	$	1,071.00
TOTAL YOUTH PROGRAM	**$**	**1,946.00**
HISTORIC COMISS1ON		
CONTRACTED SERVICE	$	550.00
DEPART SUPPLIES& MATERIALS	$	12.82
TOTAL HISTORIC COMMISSION	**$**	**562.82**
4-H CLUB CONTRIB	*$*	**2,000.00**
BEAUTIFICATION		
CONTRACTED SERVICE	$	6,406.00
DEPART SUPPLIES & MATERIA	$	4,002.67
TOTAL BEAUTIFICATION	**$**	**10,408.67**
AGING PROGRAM! SENIOR CONTRIB	**$**	**4,000.00**
LIBRARIES CONTRIB.	**$**	**4,000.00**
Total Expenses for 2002-2003	**$**	**1,159,240.00**

COAL SEVERANCE FUND

EXPENSE		
CITY ATTORNEY		
PROFESSIONAL SERVICE	$	6,000.00
TOTAL CITY ATTORNEY	**$**	**6,000.00**

FIRE EQUIP REPL FUND

REVENUE		
INTEREST EARNED	$	0.15
SALE OF MATERIAL	$	7,125.00
MISC REVENUE	$	2,825.09
TOTAL REVENUE	**$**	**9,950.24**
EXPENSE		
CAPITAL OUTLAY EQUIPMENT	$	39,289.50
TOTAL EXPENSE	**$**	**39,289.50**

BUILDING COMMISSION TRUST FUND

REVENUE		
FERERAL GOV GRANTS	$	6,000.00
RENT & CONCESSIONS	$	291,580.92
TOTAL REVENUE	$	297,580.92
CITY HALL CONTRACTED SERVICES	$	2,358.55
BANK CHARGES	$	4.00
CITY HALL CAPITAL OUTLAY	$	12,913.44
OTHER BUILDINGS CONTRACTED SERV	$	461.00
BANK CHARGES	$	2.00
SUPPLIES & MATERIALS	$	852.02
CAPITAL OUTLAY	$	113,180.98
CAPITAL OUTLAY	$	84,492.00
TOTAL EXPENSE	$	214,263.99

BUILDING COMMISSION

REVENUE		
PARKS & RECREATION	$	9,019.40
RENT & CONCESSION	$	2,500.00
TOTAL **REVENUE**	**$**	**11,519.40**
EXPENSE		
ADVERTISING	$	145.00
CONTRACTED SERVICE	$	1,361.15
SUPPLIES & MATERIALS	$	1,094.89

PURCHASE FOR RESALE	$	1,388.44
CAPITAL OUTLAY EQUIP	$	5,600.00
TOTAL EXPENSE	**$**	**9,589.48**

H. Approval of Building Code

The Mayor explained that since the BOCA code had not been available as planned this item would be tabled until the next meeting. It was decided that although the code has not been approved yet the new building inspector will still start as planned.

VII. Reports

A. Legal Notices, Unsafe Buildings, Clean-up, Litigation

It was discussed how much is being brought to the dumpsters and the fact that we are having stuff from the county being put into it. Ralph Trout informed the Council that it costs about $350 per dumpster load taken to the landfill. Councilman Jordan wanted to know if the dumpsters are being watched because that is the only way to keep people from all over the area from dumping here. It was discussed talking with the County and planning on possibly getting together every few months to put dumpsters out and split the cost.

Mr. Froble explained that he has been informed that the 3 former City Hall employees are filing a lawsuit; however he has not received it yet. The council was also informed that filing the appeal was done to cover the City with the insurance company.

B. Department Heads/ Action as Needed

1. City **Attorney -** It was also recommended that since the worker's comp. laws have changed the City should take a more aggressive approach on worker's comp.

2. Fire Department - Ray Pivont did not have a lot to report on. The council was reminded that 4 or 5 firemen would be going to Maryland next month for training. The 1[5`] week in October is Fire Prevention Week and the fire department will be going to the schools giving out literature. During this week they will also be replacing the batteries for the elderly and handicap in smoke detectors, people can call City Hall to get a fireman to do this for them.

3. Public Works - Ralph Trout said that all he had was the paving and at this point turned it over to Councilman Jordan. Councilman Jordan recommended to the Council that the following be paved. Chestnut Hill Circle at a cost of $7,500, Nelson St at a cost of $1,400, Walnut St. at a cost of $4,800, 17[O] St. at a cost of $5,500 and part of Grace St. at a cost of $5,800. He suggested that we could finish Grace St. next year. DOH will be paving the corner of 2[°d] Ave and Temple. turning towards the bridge[nd] Councilman Meador moved to approve Councilman Jordan's recommendations; the motion was2 by Councilman Stone.
Ayes- Meador. Stone, Mathews, Meador, Jordan
Nays- none
The motion carries.

4. Municipal Judge - Mr. Shaver requested 5 minutes when the council goes into executive session.

5. Police Department -- There has been increased activity according to the reports.

6. Community Development - The report on the Buncher property should be back soon and then we will apply for a grant to clean it up. Cellular One is going to be leasing 113 of Tony Grimmet's old building and 213 is still available.

VIII Personnel
A. Hiring of new Police Officers -

Hinton City Police Civil Service Commission
Report to the Hinton City Council for the hiring of Police Officers
September 16, 2003

The Hinton Police Civil Service Commission advertised for two weeks and took applications for *Certified Police Officers* as requested by the city. Three applicants applied and the Police Test was given on September 6, 2003 at City Hall at 7:00 P.M. The three applicants, all of whom have served on other police forces, were therefore classified as *Certified Officers.* The following names are those certified officers who took the test, listed in order of grade achieved;

Garland R. Daniel	Test Score	Highest Score
Anthony T. Deakins	Test Score	Tied Second
Steve A. Ray	Test Score	Tied Second

As there are conflicting laws regarding the asking of age on applications, which is now prohibited by the Federal Government, ages of the applicants, were not known until they completed their test. The West Virginia Civil Service Laws state that those hired must be age 18 through 35. A person who formerly was an officer for the city of application may be over 35 to be reinstated, however no person, otherwise, certified or not, can be hired if the person is over the age of 35. One applicant who took the test, Steve A Ray, is over the age of 35 and is not eligible to be hired by the City of Hinton Police Department.

Also, the Civil Service Commission, by law must submit names of those persons on the waiting list to be hired, who have taken and passed the police exam. Therefore, the Commission submits the following names for the Council to take into consideration for hiring;

Raymond R. Gill,	not a certified police officer at present
Carmen McGuire,	not a certified police officer at present
Ryan McGuire,	not a certified police officer at present
Garland R. Daniel	A certified police officer at present
Anthony T. Deakins	A certified police officer at present

According to the law, the names of these candidates not hired at this time, will remain on the Civil Service Commission's list for three years, eligible for hiring in the future, until they have been rejected three times, at which time the rejected names will be eliminated from the roster. At the end of the three year period all names will be dropped.
Respectfully submitted by the Hinton Police Civil Service Commission.

Chairman, Joseph C. Bigony
Member, Russell Fitzwater
Member, James E. Beasley

There is a question, Mr. Bigony understood that these men have already been hired since they were certified, Steve Ray is over 35 and they can not recommend they hire him. According to legal sources the only way to hire Mr. Ray is to get the Governor to wave the Civil Service rule in a case of dire emergency or need. Mr. Ray is certified in Mississippi, not West Virginia and would have to go to the Academy for 2 or 3 weeks to be certified in West Virginia.

Councilman Stone moved that the council go into executive session according to 69 A-4 WV code, the motion was 2nd by Councilman Jordan.
Ayes-Stone, Jordan, Mathews, Wheeler, Meador
Nays- none
The motion carries.5-0

Councilman Stone made the motion to come back into regular session; the motion was 2nd by Councilman Meador.
Ayes- Stone, Meador, Mathews, Jordan, Wheeler
Nays- none
The motion carries.5-0

Mayor Mathews announced the appointment of Michael Poe as the new Chief of Police for the City of Hinton.

Councilman Jordan made the motion to hire the 2 certified officers that were of age pending the new chief's approval; the motion was 2nd by Councilman Stone.
Ayes- Jordan, Stone, Mathews, Meador, Wheeler.
Nays- none
The motion carries. 5-0

B. Appointment by City **to Summers County Commission on Aging Board of Directors**

The Mayor explained that there had been a mistake on the last vote; she recommended that Bobby Wheeler be appointed. Councilman Jordan made the motion to appoint Bobby Wheeler for the Summer County Commission on Aging Board of Directors; the motion was 2nd by Councilman Meador.

Ayes- Jordan, Meador, Mathews, Stone
Nays- none
Abstained- Wheeler The motion carries.4-0-1

C. Other personnel as needed- none needed

IX Delegations/ Public Input

Betty Istone lives at 1018 Greenbrier Dr. "I'm sure you all remember February 22, 2003, when all the water came down the hill into my back yard. It's been 7 months and my drive is still not safe. I would like to thank the Fire department for notifying me of this. I would also like to thank Al Stone and the city for helping me out. On April 30, 2003 a representative from FEMA, George Kopp, came to my door with Ralph, he said they would take care of it. I asked him if 1 needed to fill papers out and he said no, I just needed to be patient. I did not realize that they weren't coming in until I read it in the paper. I have a new neighbor, Betty Bock; she is concerned about the hole in part of her lot because she has small grandchildren come over. The sand bags are still there and Gary Ewing, my brother and others have helped move the sandbags so I don't have to walk over them. I need help getting the culvert in there and I will take care of the rest that the city can not do. " The price for the 36" culvert will be about $3,000. The city has to get state permission because it affects their property. This is a more difficult job because of the car port that is over the culvert having to be removed, along with 2 retaining walls. She has said she will pay to replace the concrete. Councilman Stone explained what they had to do last year. Mr. Trout is not sure how long the project will take to complete.

Councilman Jordan made the motion that the City will do the culvert and necessary work according to Ralph Trout's suggestion, the motion was 2nd by Councilman Wheeler. Ms. Istone was assured the work would be done this year.
Ayes- Jordan, Wheeler, Mathews, Stone, Meador
Nays- none
The motion carries.5-0

Virginia Fitzwater stated "This is the last time I will bring this before Council; his appointment was from August 2001- August 2002. There is the paper from the former City Manager saying he had been appointed. I believe it was at the meeting of July 22, 2003 that Mr. Wheeler said indeed he had not been appointed and I believe it was quoted in your newspaper he had not been appointed. I also would like to make a correction to the dates, your physical year begins July 1st, I understand that Mr. Wheeler said at the July 22nd meeting, if memory serves me right, that he tried to bring it up before council in September, his appointment would have been done in August. The altercation that you all are alluding to happened on September 5, 2002, not before August, he had not been appointed before August so please correct that on the record. I am deeply, deeply, disappointed.

XI Adjournment

At 8:45 p.m. Councilman Wheeler made the motion to adjourn, the motion was 2nd by Councilman Jordan.
Ayes- Wheeler, Jordan, Mathews, Meador, Stone
Nays- none
The motion carries.5-0

_____
MAYOR

_____
CLERK \RECORDER

WV MUNICIPAL BOND COMMISSION
#8 Capitol Street
Terminal Building, Suite 500
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: March 30, 2004

(See Reverse for Instructions)

ISSUE: The City of Hinton Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program)

ADDRESS: Post Office Box 477, Hinton, West Virginia 25951 COUNTY: Summers

PURPOSE OF ISSUE: New Money: X
Refunding: REFUNDS ISSUE(S) DATED: NIA

ISSUE DATE: March 30, 2004 CLOSING DATE: March 30, 2004

ISSUE AMOUNT: $ 490,000 RATE: 0%; Administrative Fee 0.5%

1ST DEBT SERVICE DUE: June 1, 2005 1ST PRINCIPAL DUE: June 1, 2005

1ST DEBT SERVICE AMOUNT: $ 3,141.03 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esquire
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: Jackson Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK: First Century Bank
Contact Person: Donna Shumate
Phone: (304) 325-8181

ESCROW TRUSTEE:
Contact Person:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Cleo P. Mathews
Position: Mayor
Phone: (304) 466-3255

OTHER:
West Virginia Department of Environmental Protection
Contact Person: Rosalie Brodersen
Function: Program Manager
Phone: (304) 558-0637

DEPOSITS TO **MBC** AT CLOSE:
By: Wire
Check

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

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: Wire
Check
IGT

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

NOTES:

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

CL866702.1

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

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

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

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

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

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

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

First Century Bank, Bluefield, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of The City of Hinton (the "Issuer") enacted by the Issuer on September 16, 2003, and a Supplemental Resolution adopted by the Issuer on March 16, 2004 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), dated March 30, 2004, issued in the original aggregate principal amount of $490,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 30th day of March, 2004.

FIRST CENTURY BANK

By: _____4f_____
Its: Authorized Officer

03/10/04
414550.00001

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL **BANK,** Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of The City of Hinton (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bond, Series 2004 A (West Virginia SRF Program), of the Issuer, dated March 30, 2004, in the principal amount of $490,000, numbered AR-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of The Huntington National Bank, as Registrar.

WITNESS my signature on this 30th day of March, 2004.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authoriz. Officer

03/10/04
414550.00001

CL866759.1

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 30th day of March, 2004, by and between The City of Hinton, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $490,000 Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted September 16, 2003, and a Supplemental Resolution of the Issuer duly adopted March 16, 2004 (collectively, the "Bond Legislation");

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

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

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

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

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

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

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

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

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

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

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

ISSUER: The City of Hinton
Post Office Box 477
322 Summers Street
Hinton, West Virginia 25951
Attention: Mayor

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

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

9. This document may be executed in one or more counterparts each of which shall be deemed an original and all of which shall constitute but one and the same document.

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

THE CITY OF HINTON

By:_____
Its: Mayor

THE HUNTINGTON NATIONAL BANK

By:_____
Its: Authorized Officer

03/10/04
414550.00001

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See attached)

Private Financial Group
P. O. Box 633 WE3013
Charleston, West Virginia 25322-0633

Huntington

STATEMENT OF TRUSTEES FEES
invoice Date March 30, 2004

The City of Hinton
Account Number 6089001809

The City of Hinton
Sewer Revenue Bond, Series 2004 A
CIO John C. Stump
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

Ate++f *++wirk**+++#-1w++w**********+* *******I.******+*++++-#w++*********Pi**********ifs+t*xa*+i++****le***-*******

FEE CALCULATION FOR March, 2004

*+**********f**********+*****++****f******w**********f1r***k**********4-** **********w**********

TOTAL AMOUNT	$	500.00
TOTAL DUE		**500.00**

* FEE INVOICES ARE PAYABLE WITHIN 30 DAYS, IF PAYMENT
* IS NOT RECEIVED, FEES WILL BE DEDUCTED FROM THE PLAN *
* .. MAIL CHECK TO: HUNTINGTON NATIONAL BANK, ATTN: DEBRA .. *
* .. BOWDEN, PO BOX 633, CHARLESTON, WV 25322-0633..... "

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304)348-5035

RECEIVED
6/9/03

Division of Water and Waste Management
1201 Greenbrier Street
Charleston, WV 25311-1088
Telephone Number: (304) 558-4086
Fax Number: (304) 558-5903

West Virginia Department of Environmental Protection

Bob Wise
Governor

Stephanie R. Tirnmermeyer
Acting Cabinet Secretary

May 30, 2003

Cleo Mathews, Chairperson
City of Hinton
Sanitary Board
Post Office Box 866
Hinton, WV 25951

CERTIFTED RETURN RECEIPT REQUESTED

Re: WV/NPDES Permit No. WV0024732
Modification No. 3

Dear Mx. Mathews:

This letter serves as Modification No. 3 of your existing WV/NPDES Water Pollution Control Permit No. WV0024732 issued the 14th day of April 2000.

After reviewing your peiinit and your application for Modification No. WV0024732-C received the 21 " day of January 2003, the above referenced permit is hereby modified as follows:

To acquire, construct, install, operate, and maintain a sewer extension consisting of 9,000 linear feet of eight (8) inch gravity sewer line, 6,600 linear feet of six (6) inch gravity sewer line, 2,400 Iinear feet of four (4) inch force main and three (3) pump stations and all necessary valves, controls and appurtenances.

2. To acquire, construct, install, operate, and maintain two pressure relief valves along the New River. The Permit has been modified to include these as CSO Outlets 008 and 009.

The information submitted on and with Permit Modification Application No. WV0024732-C dated the 21st day of January 2003, along with the plans and specifications approved by the Engineering Section, is all hereby made terms and conditions of this Permit with like effect as if all such permit modification application infoii.uation was set forth herein.

PROPOSED UPGRADE TO BE CONSTRUCTED IN ACCORDANCE WITH:

Plans, Specifications, and Reports:

Date Approved: February 10, 2003

Prepared by: Stafford Consultants Inc.
1105 Mercer Street
P.O. Box 5849
Princeton, WV 24740

Title: Hinton Area Sewer Extensions
Phase I
Gold Coast/Brooklin
SRF Project No. C-544352

The City of Hinton shall complete the construction of this upgrade on or before June 30, 2004.

Additionally, the subject Permit is hereby modified to amend Section D.4.a) to incorporate the following land application sites:

Land Application Site(s)	**Maximum Annual Loading Rate(s) Tons/Acre**	**Five(S) Year Cumulative Loading Rate(s) Tons/Acre**	**Lifetime Loading Rate(s) Tons/Acre**
Andy Gwinn			
Field 1	1.6	6.4	127
Stuart Oxley No. 1			
Field 1	1.6	6.4	127

Land Application Site(s)	**Maximum Annual** Loading Rate(s) Tons/Acre	Five(5) Year Cumulative Loading Rate(s) Tons/Acre	Lifetime Loading Rate(s) Tons/Acre
Stuart Oxley No. 2			
Field 1	(Under Evaluation)	(Under Evaluation)	(Under Evaluation)

This Modification in no way relieves the permittee of its obligation to comply with all terms and conditions of its WV/NPDES Permit and shall not constitute an affiimative defense in any enforcement action brought against the permit.

All other terms and conditions of the subject WVINPDES Water Pollution Control Permit shall remain unchanged and in effect.

Enclosed is revised Section A.3.) page 6 of 20, which includes the additional pressure relief points. This document shall supersede the one currently in your possession, and be incorporated, as appropriate, into your existing WV/NPDES Water Pollution Control Permit WV0024732.

All other terms and conditions of the subject permit shall remain in effect and unchanged.

Sincerely,

Allyn G. Turner by WB
Director

AGT/bc/tj s

CC: Env. Inspector Supervisor
Env. Inspector

Section A - Combined Sewer System Overflows

a) Outlet Numbers 002, 003, 004, 005, 006, 007, 008, and 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.

Outlet	Name and Location	Receiving Stream
002	Main Lift **Station-** ---°_- Long. 80°52'33" W	New River
003	**Bellepoint** Lift Station Lat. :7°39'03" N Long. 80°53'08" W	New River
004	**Avis, Behind** Gore's Auto **Body** Lat. 37°40'8" N Long. 80°53 ˙37" W	New River
OOG	**Bellepoint-intersection Greenbrier** Ave. And **Riverside** Drive Lat. **37°38'53"** N Long. 80°53'05" W	New River
007	**Bellepoint-Behind** Mobile Homes on Riverside Drive Lat. 37°38'51" N Long. 80°53'04" W	New River
008	**Between** New **River** and CSX Railroad Tracks Lat. 37°40'37" N Long. 80°53'25.4" W	New River
009	Between New **River and CSX Railroad Tracks Lat. 37°40 25.2" N Long. 80°53'34.3`** W	New River

b) COMPLIANCE SCHEDULE

The pemaittee shall comply with CSO requirements in accordance with the.foIlowing schedule:

(1) Evaluation of water quality impacts As outlined in Section A.3.e) -On, or before, January], 2001

(2) Completion of Long-Term Control Plan If needed as outlined in Section A.3.f) -On, or before, January 1, 2002

THE CITY OF HINTON
SEWER REVENUE BONDS,
SERIES 1990 A, SERIES 1990 B AND
SERIES 1990 C
and
SEWERAGE SYSTEM
INTERIM CONSTRUCTION FINANCING

BOND AND NOTES ORDINANCE

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A

THE CITY OF HINTON

ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF HINTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $800,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 A, NOT MORE THAN $200,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 B, NOT MORE THAN $800,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 C, JUNIOR AND SUBORDINATE TO THE OUTSTANDING 1960 BONDS OF THE CITY, AND NOT MORE THAN $2,100,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF BOND ANTICIPATION NOTES, GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED BY NOTES, OR ANY COMBINATION OF THE FOREGOING; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE NOTES; APPROVING AND AUTHORIZING OR RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HINTON:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1,01. Authority f9s this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted and enacted pursuant to the provisions of Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law.

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

A. The City of Hinton (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State.

B. The Issuer presently owns and operates a public sewage treatment, collection and transportation system. However, it is deemed necessary and desirable for the health, safety, advantage, convenience and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements for the existing sewerage facilities of the Issuer, consisting of a .625 MGD activated sludge wastewater treatment plant, a main lift station, approximately 7,010 feet of 12-inch force main, and all appurtenant facilities (the "Project") which constitute properties for the collection and transportation of liquid or solid wastes, sewage or industrial wastes (the existing sewerage facilities of the Issuer, the Project and any further additions, improvements or betterments thereto or extensions thereof is herein called the "System") at an estimated cost of $4,124,000, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the Bonds and all Sinking Funds, Reserve Accounts and other payments provided for herein and in the Prior Ordinance, all as such terms are hereinafter defined.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of not more than $1,800,000 in three series, being the Series 1990 A Bonds in the aggregate principal amount of not more than $800,000, the Series 1990 B Bonds in the aggregate principal amount of not more than $200,000 and the Series 1990 C Bonds in the aggregate principal amount of not more than $800,000 (collectively, the "Original Bonds"), and (at the option of the Issuer) to issue its sewerage system bond anticipation notes prior to issuance of the Original Bonds and to issue, contemporaneously therewith or as soon as practicable thereafter, its sewerage system grant anticipation notes and/or a note or notes evidencing a line of credit, or any combination of the foregoing (collectively, the "Notes"), in the aggregate principal amount of not more than $2,100,000 to temporarily finance costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the

Notes during the term thereof and upon the Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of construction or acquisition of the Project; amounts which may be deposited in the Reserve Accounts; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees of the Authority (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the **Bonds and Notes and** such other expenses as may be necessary or incidental to the financing *herein* authorized, the construction or acquisition of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, including, with respect to the Notes, any fees for the providing of a letter of credit, as hereinafter defined, and any costs of obtaining insurance thereon; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Bonds or the Notes or the repayment of indebtedness incurred by the Issuer for such purposes, shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Original Bonds constituting the Series 1990 A Bonds and the Series 1990 B Bonds be sold to the Authority (as hereinafter defined) pursuant to the terms and provisions of a loan agreement and a supplemental loan agreement (collectively, the "Loan Agreement") to be entered into between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority, as shall be approved by supplemental resolution, and, further, it is in the best interests of the Issuer that its Original Bonds constituting the Series 1990 C Bonds be sold to the Purchaser (as hereinafter defined) pursuant to the terms and provisions of a Letter of Conditions dated November 17, 1988, and all amendments thereto (collectively, the "Letter of Conditions").

G. There are outstanding obligations of the Issuer which will rank senior and prior to the Bonds as to lien, pledge and sources of and security for payment, being the Sewage **Revenue Bonds**, dated October 1, 1960, issued in the original **aggregate** principal amount of $720,000, of which $346,000 remains **outstanding as of** the **date** of initial enactment of this Bond Legislation (the "Prior Bonds") and which are presumed to be held by the public. Sufficient funds (including investments and earnings thereon) have been, or, prior to

the issuance of the Original Bonds, will be, irrevocably deposited with the Commission (hereinafter defined) in escrow to pay, when due, the principal of and the interest on the Prior Bonds, thereby effecting an economic defeasance of the Prior Bonds; however, under the terms the Prior Ordinance (as hereinafter defined), the pledge of Net Revenues in favor of the holders of the Prior Bonds shall not be terminated, discharged and released until redemption of all of the Prior Bonds outstanding by payment of the principal amount thereof, the redemption premium, if any, and interest accrued thereon from moneys and proceeds of securities held in the escrow therefor.

The Series 1990 A Bonds and the Series 1990 C Bonds shall be on parity with each other except as otherwise provided herein, but junior and subordinate to the Prior Bonds with respect to lien, pledge and sources of and security for payment and in all other respects. The Series 1990 B Bonds shall be junior and subordinate to the Prior Bonds, the Series 1990 A Bonds and the Series 1990 C Bonds with respect to lien, pledge and sources of and security for payment and in all other respects. The Grant Anticipation Notes, if issued, will not be payable from the Net Revenues, but shall be payable from Grant Receipts, Surplus Revenues, certain proceeds of such Grant Anticipation Notes and proceeds of a letter of credit, if any, all as shall be set forth in the Indenture and/or the Supplemental Resolution authorizing the Notes or such Grant Anticipation Notes. The Bond Anticipation Notes, if issued, will be **payable** from the proceeds of the Bonds (or individual series thereof), certain proceeds of such Bond Anticipation Notes and the Net Revenues, if necessary and if available, all as shall be set forth in the Indenture and/or the Supplemental Resolution authorizing the Notes or such Bond Anticipation Notes.

Other than the Prior Bonds, there are not outstanding any obligations of the Issuer which will rank senior and prior to or on a parity with the Bonds as to lien, pledge and sources of and security for payment.

H. The Issuer has **complied** with all requirements of West Virginia law relating to authorization of the acquisition and construction of the Project and the **operation** of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds and the Notes, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the obtaining of a Certificate of Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have **expired prior to the issuance of the Bonds or any of the Notes or such** final order will not be subject to **appeal**.

I. Pursuant to the Act, the Issuer has heretofore established a Sanitary Board and the Sanitary Board has petitioned the Council to issue the Bonds and Notes, as needed for the purposes set forth herein.

J. The Issuer is a governmental unit which has general taxing powers to finance operations of or facilities of the nature of the Project and the System; 95% or more of the net proceeds of the issues of the Original Bonds and the Notes are to be used for local **governmental** activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the Issuer, all subordinate entities, all entities which issue obligations on behalf of the Issuer, and all entities formed or, to the extent provided under Section 148 of the Code, herein defined, availed of, to avoid the purposes of Section 148(f)(4)(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 (other than private activity bonds) during the calendar year in which the Notes and/or the Bonds are to be issued.

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

Section 1,04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means Chapter 16, Article 13 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"ARC" means the Appalachian Regional Commission and any successor to the functions of the ARC.

"ARC Grant" means the grant from the ARC pursuant to the commitment therefor.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Original Bonds constituting the Series 1990 A Bonds and the Series 1990 B Bonds, or any other agency of the State of West Virginia that succeeds to the functions of the Authority.

"Authorized Officer" means the Mayor of the Issuer or any acting Mayor duly appointed by the Governing Body.

"Bond Construction Trust Fund" means the Bond Construction Trust Fund established by Section 5.01 hereof.

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

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

"Bond Registrar" shall have the meaning stated in Section 3.03 hereof, as applicable.

"Bond Year" means each one-year period (or shorter period from the date of issue of the Original Bonds) that ends at the close of business on the day in the calendar year that is selected by the Issuer, which must be the last day of a compounding interval used in computing the yield on the issue under the Code, and shall be October 1 unless otherwise required under the Code.

"Bonds" means the Original Bonds, and any bonds on a parity therewith authorized to be issued hereunder.

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

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

"Consulting Engineers" means Lawson Engineering and Technical Services, Beckley, West Virginia, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

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

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"EPA" means the United States Environmental Protection Agency and any successor to the functions of the EPA.

"EPA Grant" means the grant from the EPA pursuant to the commitment therefor.

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

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

"Governing Body" means the council of the Issuer, as may hereafter be constituted.

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

"Grant Agreement" means a written commitment for the payment of the EPA Grant or any of the Other Grants, specifying the amount of such Grant, the terms and conditions upon which such Grant is made and the date or dates or event or events upon which such Grant is to be paid to the Issuer; provided that, "EPA Grant Agreement" means only the Grant Agreement relating to the EPA Grant and "Other Grant Agreements" means only those Grant Agreements relating to the Other Grants.

"Grant Receipts" means all moneys received by the Issuer on account of any Grant after the date of issuance of any Grant Anticipation Notes; provided that "EPA Grant Receipts" means only Grant Receipts on account of the EPA Grant, and "Other Grant Receipts" means only Grant Receipts on account of any or all of the Other Grants.

"Grants" means, collectively, the EPA Grant and the Other Grants, as hereinafter defined.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that "Gross

Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap **Fees**, as hereinafter defined.

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

"Indenture" or "Trust Indenture" means the Trust Indenture which may, at the Issuer's option, be entered into between the Issuer and the Trustee relating to the Notes and all supplements or amendments thereto.

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

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

"Issuer," "Borrower" or "City" means The City of Hinton, in Summers County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body and the Sanitary Board of the Issuer.

"Letter of Conditions" means the Letter of Conditions of the Purchaser dated November 17, 1988, and all amendments thereto.

"Loan Agreement" shall mean, collectively, the Loan Agreement and the Supplemental Loan **Agreement**, to be **entered** into between the Authority and the Issuer providing for the purchase of the Original Bonds constituting the Series 1990 A Bonds and the Series 1990 B Bonds from the Issuer by the Authority, the forms of which shall be approved, and the execution and **delivery** by the Issuer authorized and directed or ratified by the **Supplemental** Resolution.

"Mayor" means the Mayor *of the Issuer.*

"Net Proceeds" means the face amounts of the Original Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds deposited in the Reserve Accounts. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Original Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

"Nonpurpose Investment" means any Investment Property which is acquired with the gross proceeds or any other proceeds of the Original Bonds and is not acquired in order to carry out the governmental purpose of the Original Bonds.

"Noteholder," "Holder of the Notes" or any similar term means the person, whenever used herein with respect to an outstanding Note or Notes, in whose name such Note is registered.

"Notes" means, collectively, the not more than $2,100,000 in aggregate principal amount of sewerage system bond anticipation notes, grant anticipation notes and/or notes evidencing a line of credit, or any combination of the foregoing, and originally authorized hereby, which may be issued by the Issuer, the terms of which shall be set forth in one or more Supplemental Resolutions, and unless the context clearly indicates otherwise, the terms "Notes" includes any refunding Notes of the Issuer.

"Notes Construction Trust Fund" means the Notes Construction Trust Fund which **may be** established by the Indenture.

"**Notes** Debt Service Fund" means the Notes Debt Service Fund which **may be** established by the Indenture.

"Notes Registrar" means the bank to be designated as such in the Indenture and/or the Supplemental Resolution and its successors and assigns.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, Registrar,

Paying Agent and the Trustee (all as herein defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if **any**, or interest on the Bonds or Notes, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Original Bonds" or "Bonds originally authorized hereby" or similar phrases mean, collectively, the not more than $800,000 in aggregate principal amount of Series 1990 A Bonds, the not **more** than $200,000 in aggregate principal amount of Series 1990 B Bonds and the not more than $800,000 in aggregate principal amount of Series 1990 C Bonds, issued for the purpose of paying a portion of the Costs of the Project and for such other purposes permitted and authorized by this Bond Legislation.

"Original Notes Purchaser" means, in the event Notes are issued, the original purchaser of such Notes, as shall be named in the Supplemental Resolution, and, in the event a note or notes evidencing a line of credit are issued, such bank or banks as shall be named in a resolution supplemental hereto.

"Other Grants" means, collectively, the grant from the ARC, together with any other grant hereafter received by the Issuer to aid in financing any Costs.

"Outstanding," when used with reference to Bonds or Notes and as of any particular date, describes all Bonds theretofore and thereupon being authenticated (where **applicable)** and delivered or all Notes theretofore and thereupon being authenticated and delivered **except** (i) any Bond or Note cancelled by the Bond Registrar or Notes **Registrar**, at or prior to said date; (ii) any Bond or Note, for the payment of which moneys, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder or under the Indenture, as applicable, and set aside for such payment (whether upon or prior to maturity); (iii) any Bond or Note deemed to have been paid **as provided** in Article X hereof or as provided in the Indenture, as **applicable**; and (iv) for purposes of consents or other action by a **specified** percentage of Bondholders or Noteholders, any Bonds or Notes registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the bank or banks or other entity designated as such for the Bonds and/or the Notes in the Indenture or in the Supplemental Resolution or such entity or authority as may be designated by the Issuer.

"Prior Bonds" means the Issuer's Sewage Revenue Bonds, dated October 1, 1960, issued in the original aggregate principal amount of $720,000, of which $346,000 remains outstanding as of the date of initial enactment of this Ordinance.

"Prior Ordinance" means the ordinance of the Issuer enacted October 21, 1960, authorizing issuance of the Prior 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.

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

"Project" means the acquisition and construction of certain **additions**, betterments and improvements for the existing **sewerage** facilities of the Issuer, consisting generally of a .625 MGD activated sludge **wastewater** treatment plant, a main lift station, approximately 7,010 feet of 12-inch force main, and all appurtenant facilities.

"Purchaser" or "Government" means the United States Department of Agriculture, Farmers Home Administration, which is expected to be the original purchaser of the Original Bonds constituting the Series 1990 C Bonds, and any successor thereof,

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

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Recorder" or "City Clerk" means the Recorder of the Issuer.

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

"Registrar" means, as appropriate, either the Bond Registrar or the Notes Registrar or both.

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

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

"Revenue Fund" means the Sewer Revenue Fund established or continued by Section 5.01 hereof.

"Sanitary Board" means the Sanitary Board of the Issuer.

"Series 1990 A Bonds" or "Series A Bonds" means the not more than $800,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 A, of the Issuer.

"Series 1990 A Bonds Reserve Account" means the Series 1990 A Bonds Reserve Account established in the Series 19 90 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1990 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 1990 A Bonds in the then current or any succeeding year.

"Series 1990 A Bonds Sinking Fund" means the Series 1990 A Sinking Fund established by Section 5.02 hereof.

"Series 1990 B Bonds" or "Series B Bonds" means the not more than $200,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 B, of the Issuer.

"Series 1990 B Bonds Reserve Account" means the Series 1990 B Bonds Reserve Account established in the Series 1990 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1990 B Bonds Reserve Requirement" means, as of the .date of calculation, the maximum amount of principal which will become due on the Series 1990 B Bonds in the then current or any succeeding year.

"Series 1990 B Bonds Sinking Fund" means the Series 1990 B Bonds Sinking Fund established by Section 5.02 hereof.

"Series 1990 C Bonds" or "Series C Bonds" means the not more than $800,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 C, of the Issuer.

"Series 1990 C Bonds Reserve Account" means the Series 1990 C Bonds Reserve Account established by Section 5.02 hereof.

"State" means the State of West Virginia.

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

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the **payment** of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement. Fund and the Reserve Accounts, the proceeds of which Bonds or other obligations are to be used to pay Costs of the Project.

"System" means the public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, owned by the Issuer, and any improvements, additions, betterments and extensions thereto hereafter constructed or acquired from any sources whatsoever, and includes the Project.

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

"Trustee" means the banking institution designated as trustee for the Noteholders under the Indenture, if any, its successors and assigns.

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 o the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of $4,124,000, 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 Notes and the Bonds hereby authorized shall be applied as provided in the Indenture, if any, and Article VI hereof, respectively.

ARTICLE III

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

Section 3,01. Authorization gf Bonds. For the purposes of capitalizing interest on the Series 1990 A Bonds and the Series 1990 C Bonds, funding a reserve account for each series of Original Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Original Bonds and related costs, or any one or more of such purposes, as determined by the Supplemental Resolution there shall be and are authorized to be issued **negotiable** Original Bonds of the Issuer, in an aggregate principal amount of not more than $1,800,000. Said Bonds shall be issued in three series, to be designated respectively, "Sewer Revenue Bonds, Series 1990 A," in the aggregate principal amount of not more than $800,000, "Sewer Revenue Bonds, Series 1990 B," in the aggregate principal amount of not more than $200,000, and "Sewer Revenue Bonds, **Series** 1990 C," in the aggregate principal amount of not more than $800,000, and *shall* have such terms as set forth hereinafter and in the Supplemental Resolution. Such Bonds shall be issued contemporaneously with or prior to issuance of the Grant Anticipation Notes, if any. The proceeds of the Bonds remaining after funding of the **Reserve Accounts** (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Bond Construction Trust Fund established by Section 5.01 hereof.

Section 3,02. Terms of 3onds. A. The Series 1990 A Bonds and the Series 1990 B Bonds shall bear interest at such rate or rates, not exceeding the then legal maximum, **payable** semiannually on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution. The Series 1990 A Bonds and the Series 1990 **B** Bonds shall be payable as to principal at the office of the **Paying** Agent, in any coin or currency which, on the dates of **payment** of principal is legal tender for the payment of public or **private debts** under the laws of the United States of America. Interest on the Series 1990 A **Bonds** and the Series 1990 **B Bonds** shall be paid by check or draft of the **Paying** Agent mailed to the registered owner thereof at the address as it **appears** on *the books of* the Bond Registrar, or by such other **method** as shall **be** mutually **agreeable** so long as the Authority is the **Registered** Owner thereof.

B. The **Series** 1990 C **Bonds** shall **be** issued in the form of a single, fully registered Bond in the principal amount of not to **exceed** $800,000, numbered CR-1, shall **be dated** the date of delivery thereof and shall be in such principal amount as set forth in a

Supplemental Resolution. The Series 1990 C Bonds shall bear interest from the date of delivery, payable monthly at the rate not exceeding the then legal maximum as the Issuer shall prescribe in a Supplemental Resolution, and shall be sold for the par value thereof. The Series 1990 C 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 a Supplemental Resolution and/or in the Bond form hereinafter set forth.

Unless otherwise provided by the Supplemental Resolution or herein, the Original Bonds shall be issued in the form of a single bond for each series, with the Series 1990 A Bonds and the Series 1990 B Bonds being fully registered to the Authority and the Series 1990 C Bonds fully registered to the Purchaser, with a debt service schedule attached to the Series 1990 A Bonds and Series 1990 B Bonds, representing the aggregate principal amount of each series, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Bonds of each series shall be exchangeable at the option and expense of the Holder for other fully registered Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that neither the **Authority nor the Purchaser** shall be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. The Bonds shall be dated as *of the* date specified in a Supplemental Resolution and shall bear interest from such date except as otherwise expressly provided herein.

Section 3.03. Bond Registrar. A. The Bond Registrar for the Series 1990 A Bonds and the Series 1990 B Bonds shall be the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

B. The Issuer shall be the Bond Registrar with respect to the Series 1990 C Bonds and will keep or cause to be kept, at its office, sufficient books *for* the registration and transfer of the Series 1990 C Bonds, and, upon presentation for such purpose, the Issuer shall, under such reasonable regulations as it may prescribe, register the Series 1990 C Bonds initially issued pursuant hereto and register the transfer, or cause to be registered, on such books, the transfer of the Series 1990 C Bonds as hereinafter provided.

The Issuer shall accept the Series 1990 C 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.

Section 3,04, Execution 21 Bonds. The Bonds shall be executed in the name of the Issuer by *the* Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed *any* of the Bonds shall cease to be such officer of the Issuer before the Bonds so signed and **sealed** have **been** actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.05. Authentication at Registration. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and **Registration** on such Bond, substantially in the forms set forth in Section 3.10, shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this **Bond Legislation**. The Certificate of Authentication and Registration on any Bond shall **be** deemed to have been executed **by** the Bond Registrar if manually signed by an **authorized** officer of the Bond Registrar, but it shall not be **necessary** that the same officer sign the Certificate of Authentication and **Registration** on all of the Bonds issued hereunder. The provisions of this Section 3.05 relating to authentication and other provisions of this Bond Legislation relating to authentication of Bonds shall not **apply** to the Series 1990 C Bonds, notwithstanding anything herein to the contrary.

Section 3,06. Negotiability, Transfer and $egistration. Subject to the provisions for transfer of **registration** set forth below, the Bonds shall **be** and have all of the **qualities** and incidents of **negotiable** instruments under the Uniform **Commercial Code** of the State of West Virginia, and **each** successive **Holder**, in **accepting** any of said Bonds shall be **conclusively deemed to have agreed** that such

Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be **incontestable in** the hands of a bops fide holder for value.

So long as any of the Bonds remain outstanding,, the Bond Registrar for the Bonds other than the Series 1990 C Bonds, shall keep and maintain books for the registration and transfer of the respective series of Bonds.

Subject to the provisions of Section 3.03 with respect to the Series 1990 C Bonds, the registered Bonds shall **be** transferable only upon the books of the Bond Registrar, by the registered owner thereof in **person** or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

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

Section 3.07. Bonds Mutilated, Destroyed, Stoleg or Lost. In **case any Bond** shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, or the Bond Registrar shall, if so advised by the Issuer, authenticate (where applicable) and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, **destroyed**, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated **Bond, or** in **lieu of and** substitution for the **Bond destroyed, stolen or lost,** and **upon the Holder's furnishing satisfactory indemnity** and **complying** with such other **reasonable** regulations and conditions as the Issuer may **prescribe** and **paying** such expenses as the Issuer and the Bond Registrar may incur.

All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.0$. Bonds not to be Indebtedness thl Issuer. The Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided and amounts, if any, in the respective Reserve Accounts. No holder or holders of any of the Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Bonds or the interest thereon.

Section 3.09. Bonds Secured hy Pledge 2f Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of all the Series 1990 A Bonds and all the Series 1990 C Bonds shall be secured forthwith equally and ratably with each other by a lien on the Net Revenues derived from the System on a parity basis, but such lien shall be junior and subordinate to the lien on said Net Revenues in favor of the Prior Bonds. The payment of the debt service of all the Series 1990 B Bonds shall also be secured forthwith equally and ratably with each other by a lien on the Net Revenues derived from the System, but such lien shall be junior and subordinate to the lien on said Net Revenues in favor of the Prior Bonds, the Series 1990 A Bonds and the Series 1990 C Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds and to make the payments into the Sinking Funds and the Reserve Accounts are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 3.10. Form 2f Original, Bonds,. The text of the Original Bonds shall be in substantially the following forms, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby or by any Supplemental Resolution or supplemental ordinance adopted prior to the issuance thereof:

(Form of Series 1990 A Bondi

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 1990 A

No. AR- $ _____

KNOW ALL MEN BY THESE PRESENTS: That THE CITY OF HINTON, a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of

_____
($_____), in installments on_____ 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Authority and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning _____, 19_____. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this **Bond is payable** by check or draft of the Paying Agent mailed to the **registered** owner hereof at the address as it appears on the books of **One Valley Bank**, National Association, Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month next preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This **Bond** may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed

by, and otherwise in compliance with, the Loan Agreement between the Issuer and the Authority, dated _____, 19_____

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the existing sewerage facilities of the Issuer (the "Project"); (ii) (to pay interest on the Bonds of this Series (the "Bonds") during the construction of the Project and for not more than 6 months thereafter; (iii) to fund a reserve account for the Bonds; and (iv)] to pay certain costs of issuance hereof and related costs. The existing sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto is herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance duly enacted by the Issuer on _____, 19_____ and a Supplemental Resolution duly adopted by the Issuer on _____ 19_____ (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is issued concurrently with the Sewer Revenue Bonds, Series 1990 B, of the Issuer (the "Series 1990 B Bonds"), issued in the aggregate principal amount of $_____, which Series 1990 B Bonds are junior and subordinate with respect to lien, pledge and sources of and security for payment to the Bonds.

THIS BOND IS JUNIOR AND SUBORDINATE, WITH RESPECT TO LIEN, PLEDGE AND SOURCES OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, TO THE ISSUER'S OUTSTANDING SEWAGE REVENUE BONDS, DATED OCTOBER I, 1960, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $720,000 AND DESCRIBED IN THE BOND LEGISLATION (THE "PRIOR BONDS").

THIS BOND IS ON PARITY WITH RESPECT TO LIEN, PLEDGE AND SOURCES OF AND SECURITY FOR PAYMENT WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 1990 C, ISSUED CONCURRENTLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT **OF $_____ AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES** 1990 C **BONDS"), EXCEPT TO THE EXTENT OTHERWISE PROVIDED IN THE BOND LEGISLATION.**

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation), which pledge is junior and subordinate in all respects to the pledge of Net Revenues securing the Prior Bonds, to be derived from the operation of the System, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1990 A Bonds Reserve Account"), unexpended proceeds of the Bonds and the Series 1990 B Bonds and the other sources provided in the Bond Legislation. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1990 A Bonds Reserve Account, unexpended proceeds of the Bonds and the Series 1990 B Bonds and the other sources provided in the Bond Legislation. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds, the Series 1990 B Bonds, the Series 1990 C Bonds, and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, the Series 1990 B Bonds or the Series 1990 C Bonds, provided, however, that so long as there exists in the Series 1990 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for the Series 1990 B Bonds, the Series 1990 C Bonds and any other obligations outstanding prior to or on a parity with the Bonds, the Series 1990 B Bonds or the Series 1990 C Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Bond Registrar") by the registered owner, or by its attorney duly authorized in writing, upon the

surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or its attorney duly authorized in writing.

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

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

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

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

IN WITNESS WHEREOF, THE CITY OF HINTON has caused this Bond to **be signed** by its Mayor and its corporate seal to **be** hereunto **affixed and** attested by its Recorder, and has caused this Bond to be dated , 19

(SEAL]

_____

Mayor

ATTEST:

_____

Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1990 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By_____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto

the within Bond and does hereby irrevocably constitute and appoint Attorney to transfer the said Bond *on* the books kept for registration of the within *Bond* of the said Issuer with full power of substitution in the premises.

Dated: _____

_____

In the presence of:

_____

[Form of Series 1990 B Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 1990 B

No. BR- $_____

(NOW ALL MEN BY THESE PRESENTS: That THE CITY OF HINTON, a municipal corporation and political subdivision of the State of West Virginia in Summers County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____

($_____), in annual installments on _____, 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, without interest.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"),

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority, and upon the terms and conditions prescribed by, and otherwise in compliance with, the Supplemental Loan Agreement between the Issuer and the Authority, dated _____, 19

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements for the existing sewerage facilities of the Issuer (the "Project"); (ii) [to fund a reserve account for the Bonds of this Series (the "Bonds");] and (iii) to pay certain costs of issuance hereof and related costs. The existing sewerage system of the Issuer, the Project, and any further additions, betterments or improvements thereto is herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes

of the State of West Virginia, including particularly Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act"), and an Ordinance duly enacted by the Issuer on_____ 19_____, and a Supplemental Resolution duly adopted by the Issuer on 19_____(collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIEN, PLEDGE AND SOURCES OF AND SECURITY FOR PAYMENT TO CERTAIN OUTSTANDING SEWER REVENUE BONDS OF THE ISSUER AS FOLLOWS:

(i) SEWAGE REVENUE BONDS, DATED OCTOBER 1, 1960, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $720,000 (THE "PRIOR BONDS");

(ii) SEWER REVENUE BONDS, SERIES 1990 A, ISSUED CONCURRENTLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $ AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1990 A BONDS"); AND

(iii) SEWER REVENUE BONDS, SERIES 1990 C, ISSUED CONCURRENTLY HEREWITH IN THE AGGREGATE PRINCIPAL AMOUNT OF $ AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1990 C BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System after there has first been paid from said Net Revenues all payments then due and owing on account of the **Prior Bonds**, the Series 1990 A Bonds and the Series 1990 C Bonds, all moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1990 B Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1990 B Bonds

Reserve Account and unexpended Bond proceeds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year *for* principal of and interest, if any, on the Bonds, the Series 1990 A Bonds, the Series 1990 C Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 1990 A Bonds, the Series 1990 C Bonds or the Bonds, provided, however, that so long as there exists in the Series 1990 B Bonds Reserve Account and the reserve accounts established for the Series 1990 A Bonds and the Series 1990 C Bonds, respectively, amounts at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds, the Series 1990 A Bonds and the Series 1990 C Bonds in the then current or any succeeding year, and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

registered owners of the Series 1990 A Bonds and the Series 1990 C Bonds to the extent provided in the Bond Legislation.

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

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

IN WITNESS WHEREOF, THE CITY OF HINTON has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated_____, 19_____

[SEAL}

_____
Mayor

ATTEST:

_____
Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1990 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____

ONE VALLEY BANK, NATIONAL ASSOCIATION,
as Registrar

By _____
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto

the within Bond and does hereby irrevocably constitute and appoint Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full *power of* substitution in the premises.

Dated: _____

_____

In the presence of:

_____

[Form of Series 1990 C Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 1990 C

No. CR- $_____

FOR VALUE RECEIVED, THE CITY OF HINTON (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_____ DOLLARS ($), plus interest on the unpaid principal balance at the rate of_____% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof, and $ covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 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 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 sewerage system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and

maintenance 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 16, Article 13 of the West Virginia Code, as amended (the "Act"), and an Ordinance of the Borrower authorizing issuance of this Bond and a resolution supplemental thereto duly enacted and adopted (collectively, the "Ordinance").

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

This Bond is given as evidence of a loan to Borrower made **or** insured by the Government pursuant to the Consolidated 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 JUNIOR AND **SUBORDINATE**, WITH **RESPECT** TO LIEN, **PLEDGE** AND SOURCES OF AND **SECURITY** FOR **PAYMENT**, TO THE BORROWER'S OUTSTANDING **SEWAGE** REVENUE BONDS, DATED OCTOBER 1, 1960, **ISSUED** IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $720,000 AND **DESCRIBED** IN THE ORDINANCE.

THIS BOND IS ON PARITY WITH THE BORROWER'S SEWER REVENUE BONDS, SERIES 1990 A, AND SENIOR AND PRIOR TO THE ISSUER'S SEWER REVENUE BONDS, SERIES 1990 B, WITH RESPECT TO LIEN, PLEDGE AND SOURCES OF AND SECURITY FOR PAYMENT, BOTH ISSUED CONCURRENTLY HEREWITH AND DESCRIBED IN THE ORDINANCE, EXCEPT TO THE EXTENT OTHERWISE PROVIDED IN THE ORDINANCE.

IN WITNESS WHEREOF, THE CITY OF HINTON 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, and has caused this Bond to be dated _____, 19

THE CITY OF HINTON _____
(Name of Borrower)

(CORPORATE SEAL]

_____
(Signature of Executive Official)

Mayor
(Title of Executive Official)

Post Office Box 866
(P. 0. **Box** No. or Street Address)

Hinton. West Virginia 25951
(City, State and Zip Code)

ATTEST:

_____
(Signature of Attesting Official)

Recorder_____
(Title of Attesting Official)

(Form of)

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(2)			
(3L $			

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:

_____

A

Section 3.11. Sale of Original Bonds to Authority and Purchaser; Ratification of Execution of Loan Agreement with Authority. The Original Bonds constituting the Series 1990 A Bonds and the Series 1990 B Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

The Original Bonds constituting the Series 1990 C Bonds shall be sold to the Purchaser, pursuant to the terms and conditions of the Letter of Conditions.

Section 3.12. "Amended Schedule A" Filing; Tender of Series 1990B Bonds. Upon completion of acquisition and construction of the Project, the Issuer will file with the Authority a schedule in substantially the form of the "Amended Schedule A" to the Loan Agreement, setting forth the actual costs of the Project and sources of funds therefor. In the event such schedule reflects an excess of funding for the Project, or if the Authority is otherwise advised of an excess, the Authority may tender the Series 1990 B Bonds to the Issuer for payment in an amount equal to such excess to the extent such excess is lawfully available therefor. Notwithstanding the foregoing, if the Issuer has Notes outstanding upon completion of construction of the Project, it will advise the Authority of such fact and submit a second schedule to the Authority upon payment of such Notes, and the Authority will not tender its Series 1990 B Bonds for payment until the outstanding Notes have been paid.

ARTICLE IV

INTERIM CONSTRUCTION FINANCING

Section 4.01. Authorization and General Terms. In order to pay certain Costs of the Project pending receipt of the Grant Receipts or issuance of the Bonds, the Issuer may issue and sell its Notes in an aggregate principal amount not to exceed $2,100,000. The Notes may be in the form of bond anticipation notes, grant anticipation notes and/or as evidence of a line of credit from a commercial bank or other lender, or any combination of the foregoing, at the discretion of the Issuer, and as shall be set forth in one or more resolutions supplemental hereto. 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 Indenture and/or supplemental resolution, as applicable.

Section 4.02. Terms of and Security for Notes; Trust Indenture. The Notes, if issued, shall be issued in fully registered form, in the denominations, with such terms and secured in the manner set forth in the Indenture, if applicable (which Indenture in the form to be executed and delivered by the Issuer shall be approved by a supplemental resolution), or one or more supplemental resolutions, if no Indenture is used.

Section 4.03. Notes are Special Obligations. The Notes shall be special obligations of the Issuer payable as to principal and interest solely from proceeds of the Bonds or the Net Revenues (if issued in the form of Bond Anticipation Notes) or the Grant Receipts, the Surplus Revenues and the letter of credit proceeds (if issued in the form of Grant Anticipation Notes) and from other sources described in the Indenture and/or supplemental resolution or resolutions. 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 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 in the Indenture and/or the Supplemental Resolution.

Section 4.04. Letters of Credit. As additional security for any Notes, the Issuer may obtain a letter or letters of credit from a bank or banks, pursuant to which such bank or banks would agree

to pay to the Trustee, upon presentation by the Trustee of certain certificates, the sum or sums set forth therein but not to exceed $2,100,000 in the aggregate. In the event of a draw under any such letter of credit, the Issuer shall issue its refunding notes to the bank issuing such letter of credit. Any such letter or letters of credit shall be authorized and shall have such terms as shall be set forth in a resolution supplemental hereto.

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

(1) Revenue Fund (established by the Prior Ordinance and therein called the "Sewer Revenue Fund" and continued hereby, which fund is also known as the City of Hinton Sanitary Board Revenue Account);

(2) Operation and Maintenance Fund (established by the Prior Ordinance and continued hereby);

(3) Depreciation Fund (established by the Prior Ordinance and continued hereby);

(4) Renewal and Replacement Fund;

(5) Bond Construction Trust Fund; and

(6) Reserve Fund (established by the Prior Ordinance and continued hereby).

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued if previously established by the Prior Ordinance) with the Commission:

(1) Prior Bonds Sinking Fund (established by the Prior Ordinance and therein called the "Sewer Revenue Bond Interest and Sinking Fund");

(2) Series 1990 A Bonds Sinking Fund;

(a) Within the Series 1990 A Bonds Sinking Fund, the Series 1990 A Bonds Reserve Account;

(3) Series 1990 B Bonds Sinking Fund;

(a) Within the Series 1990 B Bonds Sinking Fund, the Series 1990 B Bonds Reserve Account;

(4) Series 1990 C **Bonds** Reserve Account.

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

(1) The Issuer shall first, each month, transfer from the Revenue Fund to the Operation and Maintenance Fund the amount necessary and sufficient to pay current Operating Expenses of the System.

(2) The Issuer shall next, each month, transfer from the Revenue Fund and pay to the Commission the amounts required by the Prior Ordinance to be deposited in the Prior Bonds Sinking Fund for payment of the principal of and interest on the Prior Bonds and all fiscal agency charges and the maintenance of a margin of safety and reserve for the Prior Bonds, all in accordance with the Prior Ordinance.

(3) The Issuer shall next, (i) each month, on or before the due date of payment of each installment on the Series 1990 C Bonds, transfer from the Revenue Fund and remit to the National Finance Office designated in the Series 1990 C Bonds (or such other place as may be subsequently provided pursuant to the Series 1990 C Bonds), the amount required to pay the interest on the Series 1990 C Bonds, and to amortize the principal of the Series 1990 C Bonds over the life of such Bond issue, (ii) simultaneously with transfer set forth in Subsection 5.03A(3)(i), on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 1990 A Bonds for which interest has not been capitalized, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in the Series 1990 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 1990 A Bonds on the next ensuing semiannual interest payment date; provided, that, in the event the period to elapse between the date of such initial deposit in the Series 1990 A Bonds Sinking Fund and the next semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, one month prior to the next semiannual interest payment date, the required amount of interest coming due on such date, and (iii) simultaneously

with transfers set forth in Subsections 5.03A(3)(i) and (ii), on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1990 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 A Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1990 A Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1990 A Bonds Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date. All the payments with respect to principal of and interest on the Series 1990 A Bonds and the Series 1990 C Bonds shall be made on an equal pro rata basis and on a parity with each other to the fullest extent possible.

(4) The Issuer shall next, (i) on each date that payment is made as set forth in Subsection 5.03A(3)(i) above, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 1990 C Bonds Reserve Account, 1/12th of 1/10th of the amount, as of the date of calculation, equal to the maximum amount of principal and interest which will become due on the Series 1990 C Bonds in any year, until the amount in the Series 1990 C Bonds Reserve Account equals such maximum amount (the "Minimum Reserve"), and (ii) simultaneously with the transfer set forth in Subsection 5.03A(4)(i), on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1990 A Bonds, if not fully funded upon issuance of the Series 1990 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1990 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1990 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1990 A Bonds Reserve Requirement. After the Series 1990 A Bonds Reserve Requirement and the *Minimum* Reserve have been accumulated in the respective Reserve Accounts, the Issuer shall monthly deposit into the respective Reserve Accounts such part of the moneys remaining in the Revenue Fund, after

all required payments into the Prior Bonds Sinking Fund and such provision for payment of monthly installments on or with respect to the Series 1990 A Bonds and the Series 1990 C Bonds and for payment of Operating Expenses of the System, as shall be required to maintain the Series 1990 A Bonds Reserve Requirement and the Minimum Reserve in the respective Reserve Accounts on an equal pro rata basis and on a parity with each other. Moneys in the Series 1990 C Bonds Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on or with respect to the Series 1990 A Bonds and the Series 1990 C Bonds, respectively, as the same shall become due, on an equal pro rata basis and on a parity with each other, or for prepayment of installments on the Series 1990 A Bonds and the Series 1990 C Bonds pro rata, or for mandatory prepayment of the Series 1990 A Bonds and the Series 1990 C Bonds as hereinafter provided, on a pro rata basis, and for no other purpose.

(5) The Issuer shall next, each month, so long as any of the Prior Bonds are outstanding, transfer from the Revenue Fund an amount equal to 10% of the gross revenue paid into the Revenue Fund during the preceding monthly period (or such other amount as required under the Prior Ordinance) and shall deposit the same in the Depreciation Fund until the amount in said fund shall aggregate $70,000. Withdrawals and disbursements may be made from the Depreciation Fund only for the following purposes:

(i) For renewals or replacements to the System or for extensions or improvements to the System; and

(ii) To meet the payment of interest on or principal of the Prior Bonds to whatever extent and if for any reason funds in the Prior Bonds Sinking Fund are insufficient for such purpose, and to meet payment of current costs of operation and maintenance of the System to whatever extent and if for any reason funds in the Operation and Maintenance Fund are insufficient therefor; thereafter, and provided payments into the Prior Bonds Sinking *Fund* are current and in accordance with the foregoing and the requirements of the Prior Ordinance, to meet payment of interest on or principal of the Series 1990 A Bonds and the Series 1990 C Bonds, on a parity basis, to whatever extent and if for any reason funds in

the Series 1990 A Bonds Sinking Fund, including the Series 1990 A Bonds Reserve Account therein, and the Series 1990 C Bonds Reserve Account, are insufficient for such purposes; and, thereafter, and provided payments into the Prior Bonds Sinking Fund are current and in accordance with the foregoing and the requirements of the Prior Ordinance and provided payments into the Series 1990 A Bonds Sinking Fund, including the Series 1990 A Bonds Reserve Account therein, and into the Series 1990 C Bonds Reserve Account are current and in accordance with the foregoing, to meet payments of interest on or principal of the Series 1990 B Bonds to whatever extent and if for any reason funds in the Series 1990 B Bonds Sinking Fund, including the Series 1990 B Bonds Reserve Account therein, are insufficient for such purposes.

(6) So long as any of the Prior Bonds are outstanding, whenever all specified and required payments from Revenue Fund into the special funds hereinbefore and in the Prior Ordinance provided have been made and there is a balance in the Revenue Fund in excess of the estimated amounts to be so paid into the Operation and Maintenance Fund and the Prior Bonds Sinking Fund during the succeeding three months, such excess shall be withdrawn and paid into the Reserve Fund. Withdrawals and disbursements shall be made from said Reserve Fund to meet any deficiencies in the various special funds provided under the Prior Ordinance and, thereafter, to meet any deficiencies in the various special funds hereinbefore provided and if there are no such deficiencies then withdrawals and disbursements may be made from the Reserve Fund for the purchase or retirement prior to maturity of bonds issued by the Issuer for account of the System or for any other lawful purpose relating to the System.

(7) In the event the Issuer is not required to fund the Depreciation Fund under Subsection 5.03A(5) hereof at any time, the Issuer shall next, on the first day of each month, from the moneys remaining in the Revenue Fund, transfer to the Renewal and Replacement Fund a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal **and** Replacement Fund shall be **kept apart from** all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with

Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiencies in the Series 1990 A Bonds Reserve Account and the Series 1990 C Bonds Reserve Account [except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereby] shall be promptly eliminated with moneys from the Renewal and Replacement Fund on a pro rata basis, and, thereafter, any deficiencies in the Series 1990 B Bonds Reserve Account [except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereby] shall next be promptly eliminated with moneys from the Renewal and Replacement Fund.

(8) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1990 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 B Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1990 B Bonds on the next ensuing principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1990 B Bonds Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(9) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series 1990 B Bonds, if not fully funded upon issuance of the Series 1990 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1990 B Bonds Reserve Account, an amount equal to 1/120 of the Series 1990 B Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1990 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1990 B Bonds Reserve Requirement.

Moneys in the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund shall be used only for purposes of paying principal of and interest, if any, on the Series 1990 A Bonds and the Series 1990 C Bonds on a parity basis and on the Series 1990 B Bonds, respectively, as the same shall become due; provided, however, that, notwithstanding anything herein to the contrary, the holders of the Series 1990 C Bonds shall have no claim to moneys in the Series 1990 A Bonds Sinking Fund, including the Series 1990 A Bonds Reserve Account therein, to the extent such moneys correspond to monthly installments previously paid upon the Series 1990 C Bonds. Moneys in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 1990 A Bonds and Series 1990 C Bonds on a parity basis and on the Series 1990 B Bonds, respectively, as the same shall come due, when other moneys in the attendant Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the several Sinking Funds and Reserve Accounts shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Bond Construction Trust Fund, except as otherwise required by the regulations of the Purchaser as to earnings on the Series 1990 C Bonds Reserve Account, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payments, if any, due on the respective series of Bonds, and then to the next ensuing principal payments due thereon.

Any withdrawals from the Series 1990 A Bonds Reserve Account and the Series 1990 C Bonds Reserve Account which result in a reduction in the balance of the Series 1990 A Bonds Reserve Account and the Series 1990 C Bonds Reserve Account to below the Series 1990 A Bonds Reserve Requirement and the Minimum Reserve, respectively, shall be subsequently restored from the first Net Revenues available after all required payments have been made in full to the Prior Bonds Sinking Fund first and, thereafter, all required payments set forth in Subsection 5.03(A)(3) hereof have been made in full for payment of debt service on the Series 1990 A Bonds and the Series 1990 C Bonds.

Any withdrawals from the Series 1990 B Bonds Reserve Account which result in a reduction in the balance of the Series 1990 B Bonds Reserve Account to below the Series 1990 B Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Prior Bonds Sinking Fund and after all required payments set forth in Subsection 5.03(A)(3) and to the Series 1990 A Bonds Reserve Account, the Series 1990 C Bonds Reserve Account, the Depreciation Fund, the Renewal and Replacement Fund, the Reserve Fund and the Series 1990 B Bonds Sinking Fund have been made in full.

As and when additional Bonds ranking on a parity with the Bonds are issued, provision shall be made for additional payments into the respective Sinking Fund and otherwise sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate Reserve Account or Accounts in an amount or amounts equal to the maximum amount or amounts of principal and interest which will become due in any year for account of the Bonds of such series.

The Issuer shall not be required to make any further payments into the Series 1990 A Bonds Sinking Fund, the Series 1990 B Bonds Sinking Fund or into the Reserve Accounts therein, or into the Series 1990 C Bonds Reserve Account, when the aggregate amount of funds in said respective Sinking Funds and Reserve Accounts are at least equal to the aggregate principal amount of the respective Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the respective maturities thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 1990 A Bonds Sinking Fund, the Series 1990 B Bonds Sinking Fund and the Series 1990 C Bonds Reserve Account created hereunder, and all amounts required for said Sinking Funds and Reserve Accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

The payments into the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund shall be made on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday then such payments shall be made on the next succeeding business day, and all payments to the Commission shall be remitted to the

Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

Moneys in the Reserve Accounts shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund, including the Reserve Accounts therein, and the Series 1990 C Bonds Reserve Account, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the respective Bonds and any additional Bonds ranking on a parity therewith that may be issued and Outstanding under the conditions and restrictions and in the priority hereinafter set forth.

Whenever the moneys in the Reserve Accounts of the Series 1990 A Bonds and the Series 1990 C Bonds shall be sufficient to prepay the Series 1990 A Bonds and the Series 1990 C Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay such Bonds at the earliest practical date and in accordance with applicable provisions hereof.

Subject to the provisions of the Prior Ordinance, the Depository Bank is hereby designated as the Fiscal Agent for the administration of the Operation and Maintenance Fund, the Depreciation Fund and the Renewal and Replacement Fund as herein provided, and all amounts required for the Operation and Maintenance Fund, the Depreciation Fund and the Renewal and Replacement Fund will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein and in the Prior Ordinance, together with written advice stating the amount remitted for deposit into each such fund.

The Depository Bank, at the direction of the Issuer, shall keep the moneys in the Operation and Maintenance Fund, the Depreciation Fund and the Renewal and Replacement Fund invested and reinvested in accordance with Section 8.01 hereof.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided and as provided in the Prior Ordinance, are current and there remains in said Revenue Fund a balance in excess of

the estimated amounts required to *be so* transferred and paid into the Prior Bonds Sinking Fund, the Series 1990 A Bonds Sinking Fund (including the Reserve Account therein), the Series 1990 B Bonds Sinking Fund (including the Reserve Account therein), the Series 1990 C Bonds Reserve Account, the Operation and Maintenance Fund, the Depreciation Fund, the Renewal and Replacement Fund and the Reserve Fund during the following month **or** such **other period as** required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System, including, but not limited to, payment to the Trustee for deposit in the Notes Debt Service Fund.

C. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay the Depository Bank's charges and the Paying Agent fees then due.

D. All 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 Holders of the Series 1990 A Bonds and the Series 1990 C Bonds shall have a lien thereon, subject and subordinate to any lien in favor of the Prior Bonds, and, thereafter, and subject and subordinate to the liens of the Holders of the Series 1990 A Bonds and the Series 1990 C Bonds and the Prior Bonds, the Holders of the Series 1990 B Bonds shall have a lien thereon. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund, the Operation and Maintenance Fund, the Depreciation Fund, the Reserve Fund and the Renewal and Replacement Fund shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of State and municipal funds under the laws of the State.

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

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

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

H. All Tap Fees shall be deposited by the Issuer, as received, in the Bond Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System, provided that, in the event Notes are issued, Tap Fees may, with the written consent of the Authority and the Purchaser be deposited otherwise.

I. The Issuer shall, prior to delivery of the Series 1990 C Bonds, provide evidence that there will be at least 1442 bona fide users upon the System on completion of the Project, in full compliance with the requirements and conditions of the Purchaser.

J. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank 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 and the Authority.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6,01, Application 2f Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the **moneys** received from the sale of any or all of the Original Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 1990 **A** Bonds, there shall first be deposited with the Commission in the Series 1990 A Bonds Sinking Fund, the amount, if any, specified in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 1990 A Bonds for the period commencing on the date of issuance of the Bonds and ending 6 months after the estimated date of completion of construction or acquisition of the Project.

B. Next, from the proceeds of the Series 1990 A Bonds, there shall be deposited with the Commission in the Series 1990 A Bonds Reserve Account, from the proceeds of the Series 1990 B Bonds, there shall be deposited with the Commission in the Series 1990 B Bonds Reserve Account and from the proceeds of the Series 1990 C Bonds, there shall be deposited with the Commission in the Series 1990 C Bonds Reserve Account, the respective sums, if any, set forth in the Supplemental Resolution for funding of the Reserve Accounts.

C. Next, from the proceeds of the Series 1990 A Bonds and the Series 1990 C Bonds, there shall first be credited to the Bond Construction Trust Fund and then paid, any and all borrowings by the Issuer made for the purpose of temporarily financing a portion of the Costs of the Project, including interest accrued thereon to the date of such payment.

D. The remaining moneys derived from the sale of the Bonds shall be deposited upon receipt with the Depository Bank in the Bond Construction Trust Fund in the manner set forth in the Supplemental Resolution and applied solely to payment of Costs of the Project in the manner set forth in Section 6,02.

E. The Depository Bank shall act as a trustee and fiduciary for the Bondholders with respect to the Bond Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Bond Construction Trust Fund set forth in the Bond Legislation. Moneys in the Bond Construction Trust Fund shall be used solely to pay Costs of the Project and until so expended **are** hereby

pledged as additional security for the Series 1990 A Bonds and the Series 1990 C Bonds, and, thereafter, for the Series 1990 B Bonds; provided, however, that such pledge shall only extend to such moneys as have been actually paid to the Bond Construction Trust Fund by the original purchaser of the respective series of Bonds secured thereby. In the event that Notes are issued, the disposition of funds in the Bonds Construction Trust Fund may be modified from that set forth herein, with the written consent of the Authority and the Purchaser. To the extent required by the Purchaser, in addition to the other requirements herein, proceeds of the Series 1990 C Bonds in the Bond Construction Trust Account in excess of the amount insured by FDIC shall be secured at all times by the Depositary Bank in a manner lawful for securing deposits of State and municipal funds under West Virginia law.

F. There shall additionally be established with the Depository Bank such separate accounts and subaccounts within the Bond Construction Trust Fund as are set forth in the Supplemental Resolution so that the Issuer and the Depository Bank may at all times ascertain the source of all funds in the Bond Construction Trust Fund.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Bond Construction Trust Fund (except for the costs of issuance of the Original Bonds which shall be made upon request of the Issuer), shall be made only after submission to the Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers and as to any proceeds of the Series 1990 C Bonds, a representative of the Purchaser, if the Purchaser so requires, stating:

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

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

(C) That each of such costs has been otherwise properly incurred; and

(D) That payment for each of the items proposed is then due and owing.

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Bond Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Bond Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Bond Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

Pending such application, moneys in the Bond Construction Trust Fund, including any accounts therein, shall be invested and reinvested in Qualified Investments at the written direction of the Issuer, except as otherwise required by the Purchaser with respect to proceeds of the Series 1990 C Bonds in the Bond Construction Trust Fund.

After completion of the Project, as certified by the Consulting Engineers, and all costs thereof have been paid, the Depository Bank shall transfer any moneys remaining in the Bond Construction Trust Fund consisting of Series 1990 A Bond and Series 1990 B Bond proceeds to the Series 1990 A Bonds Reserve Account and when fully funded to the Series 1990 B Bonds Reserve Account, and shall transfer any moneys remaining in the Bond Construction Trust Fund consisting of **Series** 1990 C Bond proceeds to the Series 1990 C Bonds Reserve Account, and when all Reserve Accounts are fully funded, shall return such remaining moneys to the Issuer for deposit in the Revenue Fund, except that, if otherwise required, any balance in the Bond Construction Trust Fund consisting of proceeds of the Series 1990 C Bonds shall be disposed of in accordance with any requirements of the regulations of the Purchaser. The Issuer shall thereafter, apply such moneys in full, first to the next ensuing interest payments, if any, due on the respective series of Bonds and thereafter to the next ensuing principal payments due thereon. Notwithstanding the foregoing, if the Authority tenders any of its Series 1990 B Bonds to the Issuer pursuant to the provisions of the Supplemental Loan Agreement, such moneys shall be applied to the purchase of such Series 1990 B Bonds.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

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

Until the payment in full of the principal of and interest on the Notes when due, and to the extent they do not materially adversely affect Bondholders, the covenants, agreements and provisions contained in this Bond Legislation shall, where applicable, also inure to the benefit of the Holders of the Notes and the Trustee therefor and constitute valid and legally binding covenants of the Issuer, enforceable in any court of competent jurisdiction by the Trustee or any Holder or Holders of said Notes as prescribed in the Indenture; provided, that Section 7.09 shall not be applied to the Grant Anticipation Notes.

Section 7.02. Bonds and Notes not to be Indebtedness of the Issuer. Neither the Bonds nor the Notes shall be or constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Bonds or Notes, shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Bonds or Notes or the interest thereon.

Section 7.03. Bonds Secured hy Pledge of Net Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 1990 A Bonds and the Series 1990 C Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on the Net Revenues derived from the operation of the System on a parity basis, but such lien shall be junior and subordinate to the lien on said Net Revenues in favor of the Prior Bonds. The payment of the debt service of the Series 1990 B Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on said Net Revenues, but such lien shall be junior and subordinate to the lien on said Net Revenues in favor of the Prior Bonds and the Holders of the

Series 1990 A Bonds and the Series 1990 C Bonds. 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 Funds, the Reserve Accounts, and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule pi Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the ordinance of the Issuer enacted August 10, 1989, which rates and charges are hereby approved, ratified and confirmed.

Section 7,05. Sale of the System. Except as otherwise required by law, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds and Notes, if any, Outstanding, or to effectively defease this Bond Legislation in accordance with Section 10.01 hereof and, if entered into and not previously defeased, the Indenture in accordance with Section 8.01 thereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 1990 A Bonds and the Series 1990 B Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and with respect to the Series 1990 C Bonds, immediately be remitted to the National Finance Office designated in the Series 1990 C Bonds, and, with the written permission of the Authority and the Purchaser, or in the event the Authority and the Purchaser are no longer Bondholders, the Issuer shall direct the Commission and the National Finance Office to apply such proceeds to the payment of principal at maturity of and interest on the Bonds. Any balance remaining after the payment of all the Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System. With respect to the Notes, such proceeds in an amount sufficient to pay the Notes in full shall be applied to the payment of the Notes, either at maturity or, if allowable under the Supplemental Resolution or Indenture, prior thereto.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during

the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in **excess** of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property, aggregating during such Fiscal Year in excess of $10,000 and not in excess of $50,000, shall with the written consent of the Authority and the Purchaser, be remitted by the Issuer to the Commission for deposit in the Sinking Funds and to the National Finance Office and shall be applied only to the purchase of Bonds of the last maturities then Outstanding at prices not greater than the par value thereof plus 3% of such par value or otherwise. Such payment of such proceeds into the Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of the Bonds then Outstanding and the Consulting Engineers. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Azainst Encumbrances. Except as provided in this Section 7.06 and in Section 7.07B, the Issuer shall not issue any obligations whatsoever with a lien on or otherwise payable from any source of payment pledged originally to the Notes issued under the Indenture or supplemental resolution prior to or on a parity with the lien on behalf of such Notes until such Notes have been defeased in accordance with the provisions of the Indenture and the Bond Legislation; and, so long as any of the Bonds are

Outstanding, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Bonds; provided, however, that additional Bonds on a parity with the Series 1990 B Bonds only may be issued as provided for in Section 7.07 hereof. All obligations issued by the Issuer after the issuance of the Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 1990 A Bonds, the Series 1990 B Bonds and the Series 1990 C Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into the Reserve Accounts, the Depreciation Fund and the Renewal and Replacement Fund at the time of the issuance of such subordinate obligations have been made and are current.

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

Section 7.07. Parity Bonds. A. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant to this Bond Legislation, except under the conditions and in the manner herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1990 B Bonds. No Parity Bonds shall be issued which shall be payable out of the revenues of the System on a parity with the Series 1990 A Bonds and the Series 1990 C Bonds, unless the Series 1990 B Bonds are no longer outstanding.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, improvements or betterments to the System or refunding one or more series of Bonds issued pursuant hereto, or both such purposes.

No Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Recorder a written statement by the Independent Certified Public Accountants, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the

System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Prior Bonds and any other obligations with a lien on the Net Revenues prior to that of the Bonds;

(2) The Bonds then Outstanding;

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

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the Issuer, the period for appeal of which has expired prior to the date of delivery of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Consulting Engineers and the said Independent Certified Public Accountants, as stated in a certificate jointly made and signed by the Consulting Engineers and said Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the period for appeal of which has expired prior to issuance of such Parity Bonds.

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate construction or acquisition of such additions, betterments **or** improvements, if any, to the System that are to be financed by such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such **Parity** Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in **compliance** with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond of one series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

All Parity Bonds shall mature on the day of the years of maturities, and the interest thereon shall be payable on the days of each year, specified in a Supplemental Resolution.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 1990 A Bonds, the Series 1990 B Bonds and the Series 1990 C Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 1990 A Bonds, the Series 1990 B Bonds or the **Series** 1990 C Bonds.

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

B. Notwithstanding the foregoing, or any provision of Section 7.06 to the contrary, additional Bonds may be issued solely for the purpose of completing the Project as described in the application to the Authority submitted as of the date of the Loan Agreement without regard to the restrictions set forth in this Section 7,07, if there is first obtained by the Issuer the written consent of the Authority and the Purchaser to the issuance of bonds on a parity with the Bonds.

Section 7,08. Books and Records, The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds or of a Note or Notes issued pursuant to this Bond Legislation or the Trustee shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

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

The Issuer shall file with the Consulting Engineers, the Trustee, the Authority and the Purchaser, or any other original purchaser of the Bonds, and shall mail in each year to any Holder or Holders of Bonds or Notes, as the case may be, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the Indenture with respect to said Bonds or Notes, as the case may be, and the status of all said funds and accounts.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds or Notes, as the case may be, and shall submit said report to the

Trustee, the Authority and the Purchaser, or any other original purchaser of the Bonds. Such audit report submitted to the Authority and the Purchaser shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement and this Bond Legislation.

Section 7.09. Rates. Equitable rates or charges for the use of and service rendered by the System have **been** established all in the manner and form required by law, and copies of such rates and charges so established will be continuously **on** file with the Recorder, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from said System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Reserve Accounts and reserve accounts for obligations prior to or on **a** parity with the Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

Section 7.10. Operating Budget and Audit. The Issuer shall annually, at least 45 **days preceding** the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated expenditures for operation and maintenance of the System during the succeeding Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and

maintenance of the System, and no such increased expenditures shall be made until the Issuer shall **have approved** such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Trustee, the Authority, the Purchaser and to any Holder of any Bonds or Notes, as the case may **be**, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Trustee and to any Holder of any Bonds or Notes, as the case may be, or anyone acting for and in behalf of such Holder of any Bonds or Notes, as the case may be.

Section 7.11. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.12. Enforcement gf Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services

of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

Section 7.13. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any part thereof, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.14. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as any of the Bonds or the Notes remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or, with the consent of the Authority and the Purchaser, for the other purposes provided herein for said Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the Purchaser, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of

the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

(4) FLOOD INSURANCE, to the extent available at reasonable cost to the Issuer.

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

(6) FIDELITY BONDS will be provided as to every 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 Bond Construction Trust Fund is concerned so long as checks thereon require the signature of a representative of the Purchaser.

B. The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance

in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

C. In addition to the foregoing requirements, the Issuer will carry insurance on bonds, or cause insurance on bonds to be carried for the protection of the Issuer, of such types and in such amounts as required by the Purchaser, if such requirements are greater than the types and amounts set forth above.

Section 7.15. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and 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.

Section 7,16. Completion of Project. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition.

Section 7,17. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

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

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

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

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

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

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

Section 8,01. Investments. Any moneys held as **a** part of the funds and accounts created by this Bond Legislation or * the Indenture, other than the Revenue Fund, shall be invested and reinvested by the Commission, the Trustee, if any, the Depository Bank, or such other bank or national banking association holding *such* fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond, Legislation, and the Indenture, if any, the need for *such* moneys for the purposes **set** forth herein and in the Indenture, if any, and the specific restrictions and provisions set forth in this Section 8.01 and in the Indenture.

Except as provided in the Indenture, if any, any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission, the Trustee, if any, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Trustee, if any, the Depository Bank, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Trustee, if any, and the Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records *and* any additional records with respect to such funds, accounts and investment earnings so long as ***any* of** the **Bonds are** Outstanding.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause any of the Original Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a Federal information return with respect to the Original Bonds) so that the interest on the Original Bonds will be and remain excluded from gross income for Federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Small Issuer Exemption from Rebate of Excess Investment Earnings to the United States. 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 no part of the Original Bonds are private activity bonds; that 95% or more of the Net Proceeds of the Original Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and that the aggregate face amount of all the tax-exempt obligations (other than private activity bonds) issued by the Issuer during the calendar year in which the Original Bonds are issued does not and will not exceed $5,000,000, determined in accordance with Section 148(f)(4)(C) of the Code and the Regulations from time to time in effect and applicable to the Original Bonds. For purposes of this Section B.03 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 8.03 and Section 148(f)(4)(C) of the Code to each other entity to which such entity is subordinate, be treated as issued by suci 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.

Notwithstanding the foregoing, if in fact the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to make, or cause to be made, all rebate calculations, computations and payments in the time, manner and as required in Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Original Bonds and otherwise covenants and agrees to comply with the provisions of such Section 148(f) of the Code and the Regulations from time to time in effect and applicable to the Original Bonds. In the event of a failure to pay any such amount or amounts, the Issuer will pay, from any lawful sources available therefor, to the United States

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. In order to provide for the administration of this paragraph, the Issuer may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the Issuer may deem appropriate.

The Issuer shall furnish to the Authority and the Purchaser, annually, and at such time as it is required to **perform** its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority and/or the Purchaser. In addition, the Issuer shall cooperate with the Authority and/or the Purchaser in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority and/or the Purchaser at the expense of the Issuer.

The Issuer shall submit to the Authority and the Purchaser within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for the small governmental issue exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Original Bonds subject to rebate.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9,01. Events ol Default. A. Each of the following events shall constitute an "Event of Default" with respect to the Notes:

(1) If default occurs in the due and punctual payment of the principal of or interest on any Notes; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Notes set forth in this Bond Legislation, any supplemental resolution, the Indenture or in the Notes, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Trustee, any other bank or banking association holding any fund or account hereunder or a Holder of a Note; or

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law'of the United States of America.

B. Each of the following events shall constitute an "Event of Default" with respect to the Bonds:

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

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

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Section 9.02. Remedies. **Upon** the happening and continuance of any Event of Default, any Registered Owner of a Note or Bond, as the case may be, may **exercise any** available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Notes or Bonds, as the case may be, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Notes or Bonds, as the case may be, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Notes or Bonds, or the rights of such Registered Owners, provided however, that no remedy herein stated may be exercised by a Noteholder in a manner which adversely affects any remedy available to the Bondholders, and provided further, that all rights and remedies of the Holders of the Series 1990 B Bonds shall be subject to those of the Holders of the Prior Bonds, the Series 1990 A Bonds and the Series 1990 C Bonds and all rights and remedies of the Holders of the Original Bonds shall be subject to those of the Holders of the Prior Bonds.

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

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every

part thereof, and in the name *of the* Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might do.

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE

DEFEASANCE

Section 10.01. Defeasance of Series 1990 A Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all **Series** 1990 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the Series 1990 A Bonds only, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations, of the Issuer to the Registered Owners of the Series 1990 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 1990 A Bonds from gross income for federal income tax purposes.

Series 1990 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agents at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date, the principal installments of and interest on such Series 1990 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1990 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest **on** which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 1990 A Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1990 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior

to the next redemption date or the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

Section 10.02. Defeasance of Series 1990 B Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all **Series** 1990 B Bonds, the principal 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 1990 B Bonds only, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1990 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 1990 B Bonds from gross income for federal income tax purposes.

Series 1990 B Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agents at the same or earlier time, shall be sufficient, to pay as and when due either at maturity or at the next redemption date the principal installments of such Series 1990 B Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1990 B Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of said Series 1990 B Bonds on and prior to the next redemption date or the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of said Series 1990 B Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of said Bonds on and prior to the next redemption date or the maturity dates thereof, and interest earned from such

reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

Section 10.03. Defeasance of Series 1990 C Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all **Series** 1990 C 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 1990 C Bonds only, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation *and all* covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1990 C Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 1990 C Bonds from gross income for federal income tax purposes.

Section 10.04, Defeasance of Notes. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of any series of Notes, the principal of and interest due or to become due thereon, at the times and in the manner set forth in the Indenture, then with respect to such Notes only, this Bond Legislation, the Indenture, if any, and the pledges of Grant Receipts and other moneys and securities pledged thereby, *and* all covenants, agreements and other obligations of the Issuer to the Holders of the Notes shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11,01. Amendment or Modification 2f Bond Legislation. No material modification or amendment of this Bond Legislation, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Notes or Bonds shall be made without the consent in writing of the Registered Owners of 66-2/3% or more in principal amount of the Notes, the Series 1990 A Bonds, the Series 1990 B Bonds or the Series 1990 C Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or any Note or Notes or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein respectively pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds or Notes respectively, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder or Noteholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest on the Bonds and the Notes from gross income of the holders thereof.

Section 11,02. Bond Legislation Constitutes Contract. The provisions of the **Bond Legislation** shall constitute a contract between the Issuer and the Registered Owners of the Bonds and Notes, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03, Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should **be** held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution, the Indenture, if any, the Bonds or the Notes, if any.

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

Section 11.05, Conflicting Provisions Repealed. All ordinances, orders or resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed; provided that this Section shall not be applicable to the Loan Resolution (Form FmHA 442-47) or the Prior Ordinance; provided further that, in the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance shall control (unless less restrictive), so long as any of the Prior Bonds are outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the 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 11,07. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

Section 11.08. 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 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in the Hinton News, a qualified newspaper published and of general circulation in The City of Hinton, together with a notice stating that this Bond Legislation has been adopted and that the Issuer contemplates the issuance of the Bonds and Notes, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Bond Legislation and notice, and present protests, and that a certified copy of the Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At

such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading -	May 15, 1990
Passed on Second Reading -	May 22, 1990
Passed on Final Reading Following Public Hearing	June 12, 1990

James A. Leslie, Jr.
Mayor

Cynthia S. Cooper
Recorder

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of THE CITY OF HINTON on the 12th day of June, 1990.

Dated: June 14, 1990

[SEAL]

Cynthia S. Cooper
Recorder

06/11/90
HINTONJ.A6
41455/89001

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITIES, INTEREST RATES, PRINCIPAL PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1990 A, SERIES 1990 B AND SERIES 1990 C OF THE CITY OF HINTON; AUTHORIZING AND APPROVING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO THE SERIES 1990 A BONDS AND SERIES 1990 B BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; AUTHORIZING AND APPROVING THE SALE AND DELIVERY OF THE SERIES 1990 C BONDS TO FARMERS HOME ADMINISTRATION; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS

WHEREAS, the city council (the "Governing Body") of The City of Hinton (the "Issuer"), has duly and officially enacted a bond and notes ordinance, effective June 12, 1990 (the "Bond and Notes Ordinance" or "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF HINTON AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN $800,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 A, NOT MORE THAN $200,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 B, NOT MORE THAN $800,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1990 C, JUNIOR AND SUBORDINATE TO THE OUTSTANDING 1960 BONDS OF THE CITY, AND NOT MORE THAN $2,100,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF BOND ANTICIPATION NOTES, GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED BY NOTES, OR ANY COMBINATION OF THE FOREGOING; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE

REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND **DELIVERY** OF A TRUST INDENTURE SECURING THE NOTES; APPROVING AND AUTHORIZING OR RATIFYING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Bond Ordinance provides for the issuance of Sewer Revenue Bonds of the Issuer (the "Bonds"), in an aggregate principal amount not to exceed $1,800,000, to be issued in three series, the Series 1990 A Bonds to be in an aggregate principal amount of not more than $800,000 (the "Series 1990 A Bonds"), the Series 1990 B Bonds to be in an aggregate principal amount of not more than $200,000 (the "Series 1990 B Bonds") and the Series 1990 C Bonds to be in an aggregate principal amount of not more than $800,000 (the "Series 1990 C Bonds"), and has preliminarily authorized the execution and delivery of a loan agreement relating to the Series 1990 A Bonds. to be dated June 14, 1990, and a supplemental loan agreement relating to the Series 1990 B Bonds, also to be dated June 14, 1990 (sometimes collectively referred to herein as the "Loan Agreement"), by and between the Issuer and West Virginia Water Development Authority (the "Authority"), all in accordance with Chapter 16, Article 13 of the West Virginia Code, 1931, as amended (the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amounts, maturity dates, interest rates, interest and principal payment dates, sale prices and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

WHEREAS, the Series 1990 A Bonds and the Series 1990 B Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement, and the Series 1990 C Bonds are proposed to be purchased by the United States Department of Agriculture, Farmers Home Administration (the "Purchaser") pursuant to a Letter of Conditions, as amended; and

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

adopted and that the Loan Agreement be approved and entered into by the Issuer, that the exact principal amounts, the prices, the maturity dates, the redemption provisions, the interest rates and the interest and principal payment dates of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

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

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

(A) The Sewer Revenue Bonds, Series 1990 A, of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $637,262. The Series 1990 A Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2029, shall bear interest at the rate of 7.85% per annum, payable semiannually on April 1 and October 1 of each year, first interest payable October 1, 1990, shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1990 A Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Loan Agreement and incorporated therein by reference.

(B) The Sewer Revenue Bonds, Series 1990 B, of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of $29,738. The Series 1990 B Bonds shall be dated the date of delivery thereof, shall finally mature October 1, 2029, shall be interest free, shall be subject to redemption upon the written consent of the Authority, and otherwise in compliance with the Loan Agreement, as long as the Authority shall be the registered owner of the Series 1990 B Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Supplemental Loan Agreement and incorporated therein by reference.

(C) The Sewer Revenue Bonds, Series 1990 C, of the Issuer, originally represented by a single Bond, numbered CR-1 in the principal amount of $668,000. The Series 1990 C Bonds shall be dated the date of delivery thereof, shall mature June 14, 2030, shall bear interest at the rate of 5% per annum, interest only payable in monthly installments for the first 24 months commencing 30 days following delivery of the Series 1990 C Bonds and continuing on the corresponding day of each month and, thereafter, principal and interest are payable in monthly installments of $3,280 on the corresponding day of each month, except that the final installment shall be paid at the end of forty years from the date of the Series 1990 C Bonds, in the sum of the unpaid principal and interest due on the date thereof, except that prepayments may be made as hereinafter provided and as provided in the Series 1990 C Bonds, all such payments to be made at the National Finance Office of Farmers Home Administration, United States Department of Agriculture, St. Louis, Missouri, 63103, or at such other place as the Purchaser may designate after issuance of the Series 1990 C Bonds. Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of the Issuer.

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

Section 3. The Issuer does hereby authorize, approve and accept the Loan Agreement, copies of which are incorporated herein by reference, and the execution and delivery by the Mayor of the Loan Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved. The Issuer does hereby authorize, approve and accept the Letter of Conditions, and all amendments thereto, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, directed and approved. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. The Issuer does hereby appoint and designate One Valley Bank, National Association, Charleston, West Virginia, as Registrar for the Series 1990 A Bonds and Series 1990 B Bonds and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and One Valley Bank, National Association, in substantially the form attached hereto, and the execution and delivery by the Mayor of the Registrar's Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and direct the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 1990 A Bonds and Series 1990 B Bonds.

Section 6. The Issuer does hereby appoint The First National Bank of Hinton, Hinton, West Virginia, as Depository Bank under the Bond Ordinance.

Section 7. Series 1990 A Bonds proceeds in the amount of $83,375 shall be deposited in the Series 1990 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 1990 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 1990 A Bonds Reserve Account, Series 1990 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 1990 B Bonds Reserve Account and Series 1990 C Bonds proceeds in the amount of $-0- shall be deposited in the Series 1990 C Bonds Reserve Account.

Section 9. The balance of the proceeds of the Bonds shall be deposited in or credited to the Bond Construction Trust Fund for payment of Costs of the Project, including, without limitation, costs of issuance of the Bonds and repayment of borrowings previously incurred for the Project, if any.

Section 10. The Issuer hereby authorizes the establishment of, and there are hereby created with the Depository Bank, the following special accounts within the Bond Construction Trust Fund established under Section 5.01 of the Bond Ordinance:

(1) Account One

(2) Account Two

All proceeds received from the sale of the Series 1990 A Bonds and the Series 1990 B Bonds to the Authority shall be deposited in Account One. All proceeds received from the sale of the Series 1990 C Bonds to the Purchaser shall be deposited in Account Two. Proceeds deposited into Account One shall be kept separate and apart from proceeds deposited into Account Two, and vice versa.

Section 11. The Issuer hereby determines to pay, or reimburse itself for the cost of payment, on the date of delivery of the Bonds and receipt of proceeds thereof, all borrowings of the Issuer heretofore incurred for the purpose of temporarily financing a portion of the Costs of the Project, if any, including, but not

limited to, all borrowings from West Virginia Water Development Authority.

Section 12. The Mayor and Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Series 1990 A Bonds and the Series 1990 B Bonds may be delivered on or about June 14, 1990, to the Authority pursuant to the Loan Agreement and to the end that the Series 1990 C Bonds may be delivered on or about June 14, 1990, to the Purchaser pursuant to the Letter of Conditions and all amendments thereto as soon as the Purchaser will accept such delivery.

Section 13. The financing of the Project in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 14. The Issuer hereby determines that it is in the best interest of the Issuer to invest all moneys in the funds and accounts established by the Bond and Notes Ordinance held by the Depository Bank, subject to any limitations of the Purchaser with respect of the proceeds from the sale of the Series 1990 C Bonds, in time accounts with maturities not exceeding 30 days and secured by a pledge of Government Obligations with the Depository Bank, and therefore the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such moneys to be invested in such time accounts until further directed in writing by the Issuer. Moneys in the Sinking Funds for the Series 1990 A Bonds and Series 1990 B Bonds shall be invested by the Municipal Bond Commission in the West Virginia restricted consolidated fund.

Section 15. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations to be promulgated or to be promulgated thereunder.

Section 16. The Issuer is a governmental unit with general taxing powers to finance operations of or facilities of the nature of the Project and the System; no part of the Bonds are private

activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and the Issuer reasonably expects to issue less than $5,000,000 aggregate principal face amount of tax-exempt obligations (other than private activity bonds) during the calendar year 1990, being the calendar year in which the Bonds are to be issued. For purposes of this Section and for purposes of applying Section 148(f)(4)(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 and Section 148(f)(4)(C) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(C) of the Code and all other entities benefiting thereby shall be treated as one issuer.

Section 17. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 12th day of June, 1990.

THE CITY OF HINTON

James A. Leslie Jr.

Mayor

06/11/90
HINTOND.D3
41455/89001

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Council of THE CITY OF HINTON on the 12th day of June, 1990.

Dated: June 14, 1990

[SEAL]

Cynthia S. Cooper
Recorder

WEST VIRGINIA
Water Development Authority

Cerebrating 30 Years of Service **1974 - 2004**

March 30, 2004

THE CITY OF HINTON

Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

TO WHOM IT MAY CONCERN:

In reliance upon the certificate of the certified public accountant of the Issuer, the undersigned duly authorized representative of the West Virginia Water Development Authority (the "Authority"), the registered owner of the entire outstanding aggregate principal amount of the Series 1990 A Bonds and the Series 1990 B Bonds hereinafter defined and described, hereby consents to the issuance of the Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program) (the "Bonds"), in the original aggregate principal amount of $490,000, by The City of Hinton (the "Issuer"), under the terms of the ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's Sewer Revenue Bond, Series 1990 A (the "Series 1990 A Bonds") and senior and prior, with respect to liens, pledge and source of and security for payment, to the Issuer's Sewer Revenue Bond, Series 1990 B (the "Series 1990 B Bonds").

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: _____
Its: Authorized Representative

180 Association Drive, Charleston. WV 25311-1217
phone (304) 558-3612 / fax (304) 558-0299
www.wvwda.org

USDA UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL DEVELOPMENT

75 High Street Federal Building, Suite 320, Morgantown, WV 26505-7500
304.284.4860 *1.800.295.8228 • fax 304.284.4893 • TTYJTDD 304.284.4836

March 22, 2004

The City of Hinton
Sewer Revenue Bonds, Series 2004 A
(West Virginia SRF Program)

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 Series 1990 C Bonds, hereinafter defined and described, hereby (i) consents to the issuance of the Sewer Revenue Bonds, Series 2004 A (West Virginia SRF Program) (the "Bonds"), in the original aggregate principal amount of $490,000, by The City of Hinton (the "Issuer"), under the terms of the bond ordinance authorizing the issuance of the Bonds (the "Ordinance"), on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Sewer Revenue Bond, Series 1990 C, dated June 14, 1990, issued in the original aggregate principal amount of $668,000 (the "Series 1990 C Bonds"); (ii) waives any requirements imposed by the Series 1990 C Bonds or the ordinance authorizing the Series 1990 C Bonds (the "Prior Ordinance"), regarding the issuance of parity bonds which are not met by the Bonds or the Ordinance; and (iii) consents to any amendments made to the Prior Ordinance by the Ordinance.

Gary D. Theuliger
State Director

STATE OF WEST VIRGINIA

NATIONAL UNION FIRE INSURANCE CO.
OF PITTSBURGH, PA. 70 PINE STREET
NEW YORK, NY 10270

ADDITIONAL INSURED:

CITY OF HINTON
P. O. BOX 477
HINTON, WV 25951

CERTIFICATE NO: L 0426 - Jul 9, 1986

This certifies that the insured named above is an Additional Insured for the Coverage indicated below under General Liability Policy.
GL 6124043 and Automobile Policy CA 6612133 issued to the State of West virginia by NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.

This certificate presents a summary of coverage. The policies may be inspected ***at the*** office of the Board of Risk and Insurance **Management,** 90 MacCorkie Avenue SW, Suite 203 **South** ***Charleston, Wv 25303*** during its regular business hours. Reproduction of the policies shall be cost.

COVERAGE PERIOD

From: Jul 1, 2003 To: Jul 1, 2004 12:01 Eastern Standard Time.

COVERAGE AFFORDED

The Additional Insured is Insured for the following Coverages:

Comprehensive General Liability Insurance
Personal **Injury Liability Insurance**
Professional Liability Insurance
Stop Gap Liability Insurance
wrongful Act Liability Insurance
comprehensive Auto Liability Insurance
Auto Physical Damage Insurance, including comprehensive and collision, and
Garagekeepers Insurance

LIMITS OF LIABILITY

EACH OCCURRENCE.

$1,000,000 each occurrence for all coverage combined. This limit is not increased if a claim is insured under more than one coverage or if **claim** is made against more than one insured.

SPECIAL LIMITS.

The auto physical damage limit is the actual cash value of each vehicle, including mobile equipment, subject to a $1,000 deductible.

DEFENSE COSTS.

Defense costs are in addition to the each occurrence limit of liability.

NOTICE OF CLAIM

All notice of claim should be sent to:

Claim Manager
West Virginia Board of Risk and Insurance Management
90 Maccorkle Avenue S.W.
suite 203
South Charleston, ***West Virginia 25303***
(304) 766-2646, (800) 345-4669 FAX: (304) 766-2653

OTHER PROVISIONS

SUBJECT TO POLICY TERMS.

The insurance evidenced by this Certificate is subject to all of the terms, conditions, exclusions and definitions in the policies.

OTHER INSUREDS.

The members of the governing body of the Additional Insured named above, its elected or appointed officials, executive officers, directors, commissioners, board members, volunteer workers, student ***teachers, and*** employees are also insureds under the policies while acting within the scope of their duties as such.

STATUTORY IMMUNITIES.

It is a condition precedent of coverage under the policies that the **Additional Insured** does not waive any-statutory or common law immunity conferred upon it.

EXCESS COVERAGE.

If the Additional Insured has other primary insurance for the hazards covered by the above policies, the coverage afforded by this certificate **does** not apply to losses occurring before the expiration or termination date of the other insurance except to the extent that the amount of loss exceeds the limit of liability **of** the other insurance, but then **only for** an amount not exceeding the difference between $1,000,000 and the limit of liability of the other insurance-

PRIOR CLAIMS MADE COVERAGE.

As the insurance under this Certificate renews certain liability coverages previously insured on a claims made policy form, the insurance under this Certificate shall apply to a claim or loss reported during the Certificate Coverage Period that occurred prior to the effective date of the Certificate if the claim or loss would have been covered by the prior claims made policy provided that the claim or less is also within the scope of coverage afforded by the policy issued to the State of West Virginia and not excluded therein. However, in no event shall coverage apply to a claim or loss occurring prior to the RETRO DATE, if any, stated below.

RETRO DATE: July 9, 1986

AGENT OF RECORD: J. L. MASSIE INSURANCE AGENCY

P.O. DRAWER 159
HINTON, WV 25951

BY:_____DATED: June 23, 2003
AUTHORIZED REPRESENTATIVE

MEMORANDUM OF PROPERTY INSURANCE
PROVIDED BY
STATE BOARD OF RISK AND INSURANCE MANAGEMENT

NAME OF INSURED: CITY OF HINTON

P. O. BOX 477
HINTON, WV 25951

MEMORANDUM NO: P 0426 - Jul 9, 1986

COVERAGE PERIOD: From Jul 1, 2003 To Jul 1, 2004 12:01 E.S.T.

DEDUCTIBLE: $1,000 Each Occurrence

This memorandum presents a summary of coverage only and is subject to the terms, conditions and exclusions of the entire policy. The policy may be inspected at the office of The Board of Risk and Insurance Management, 90 MacCorkle Ave SW, suite 203 So Chas, WV 25303 during its regular business hours. Reproduction of the policy shall be at cost

1. AMOUNT OF COVERAGE. Subject to the limitations that follow the maximum amount payable for a covered loss is $201,000,000 each occurrence.

   a. Fidelity Honest Bond. The maximum amount payable is $2,000,000.

   b. Money and Securities. The maximum amount payable is $1,500,000.

   c. Vehicles and mobile equipment. The maximum amount payable is $7,000,000 and applies in excess of the amount recoverable under the physical damage coverage **included in the liability** certificate.

   d. Boiler and Machinery. The maximum amount payable is $7,000,000-

2. PROPERTY COVERED.

   a. All real and personal property owned by the Insured, except as stated in item 3 below.

   b. Property of others in the Insured's custody, if the Insured is legally responsible for the loss.

   c. When resulting from damage **to Insured-owned property:**

      (1) The cost to recreate valuable papers and records.
      (2) The increase in operating expenses required to continue operations.

3. PROPERTY EXCLUDED:

a. Aircraft.

b. Roads, bridges, tunnels, dams, guard rails, outdoor signs and similar property.

c. Buildings in the course of construction.

d. Plants and animals.

4. PERILS COVERED:

Coverage applies to losses from any cause, except as stated in item 5 below.

5. PERILS NOT COVERED:

a. Nuclear contamination.

b. Wear and tear, rust, dryrot and similar degenerative causes.

c. Pollution and contamination

d_ Earth movement and flood.

e. Failure of data processing or other equipment or machinery to recognize a specific date.

6_ AMOUNT PAYABLE FOR COVERED LOSSES:

a. Artwork. The amount for which the item is carried on the Insured's books.

b. Vehicles and mobile equipment. The actual cash value of the vehicle.

c. Valuable Papers. The cost to duplicate the papers, including the cost of research time necessary to gather required Information.

d. Extra Expense. The increase in operating expense necessarily incurred to continue normal operations.

e. Income. The loss of income that would have been received had no loss occurred, less expenses that will not continue.

f. Other Property_ The replacement cost of the damaged or destroyed property.

7. DEFINITIONS:

a. Occurrence. The term "occurrence" means the total loss by any peril or combination of perils insured against arising out of a single event.

b. Replacement Cost. The term "replacement cost" means the cost to replace or reinstate the property, or any part or parts thereof, on the same site in a condition equal to, but not superior to or more extensive than, the condition when new.

8. CONDITIONS UNDER WHICH COVERAGE IS PROVIDED:

a. The building and its contents must have been reported to the Board.

b. The loss must be promptly reported to the Board on "Insurance Loss Notice" form provided by the claim department, and mailed to the location shown in Item 9 below.

9. QUESTIONS AND LOSS REPORTING:

If there are any questions or to report a loss, contact:

Claim Manager
West Virginia Board of Risk and Insurance Management
90 MacCorkie Avenue S.W.
Suite 203
South Charleston, West Virginia 25303

Phone: (304) 766-2646
(800) 345-4669
FAX: (304) 766-2653

AGENT OF RECORD: J. **L. MASSIE INSURANCE AGENCY**

P.O. DRAWER 159
HINTON, WV 25951

DATE: June 23, 2003 **BY:** 4 01'0404 A ! 7'rl'a'lj4"
AUTHORIZED REPRESENTATIVE

CLOSING MEMORANDUM

To: **Financing** Team

From: **John** C. Stump, Esquire

Date: **March** 30, **2004**

Re: **The** City of **Hinton** Sewer Revenue **Bonds,** Series 2004 A
(West Virginia SRF Program)

---

1. DISBURSEMENTS TO THE CITY OF HINTON

Payor:	West Virginia Department of Environmental Protection
Amount:	$24,500
Form:	Check
Payee:	The City of Hinton
Contact:	Rosalie Brodersen - (304) 558-0637
Account:	Series 2004 A Bonds Construction Trust Fund

03/11/04
414550.00001

State of West Virginia

WATER DEVELOPMENT AUTHORITY

180 Association Drive, Charleston, WV 25311-1217

(304) 558-3612 - (304) 558-0299 (Fax)

Internet: www.wvwda.org - Email: contact@wvwda.org

BOND CLOSING ATTENDANCE LIST

Date March 30, 2004 Time 9:30 a.rn LGA City of Hinton Program CWSRF

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
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the Authority requests that the following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name CLtl.L ~-Telephone .Io (05~.3 .5S E-Mail

Address 0 • o~ 47 ~~ Vc-S V 254.5

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

DEP CONSTRUCTION GRANT *AGREEMENT*

This DEP Construction Grant Agreement ("Agreement") entered into on the Clday of_IJOV ,.2001, between the West Virginia Department of Environmental Protection (the "MEP") and the Town of Hinton, West Virginia (the "Governmental *Agency").*

RECITALS

WHEREAS, the DEP has authorized a DEP construction grant be made in an amount not to exceed 5920,000 (the "Grant") for the purpose of paying a portion of the costs of design, acquisition and constiuctiou of a project for which an application has been submitted and approved by the DEP;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such teams and conditions as are hereinafter set forth for the purpose of designing, acquiring and conshvcting the project described in the application (the "Project`"); and

WHEREAS, this Agreement sets **forth the DPP and Governmental Agency's understandings and agreements with regard to the Grant**

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

1, **The** DEP **shall advance** from the- Grant from time to dine its share of the Project costs in accordance with its payment procedures. The Governmental Agency shall axed submit an executed copy of the resolution of its Council approving each requisition.

2. T ii Guvernmeni l Agency will use the proceeds of the Grant only for the purposes specifically set forth in the application and approved Project budget attached hereto **as** Exhibit A and incorporated herein by reference_

3. The Governmental Agency shall comply *with* and *is* bound by *the DIP's rules governing* the SRF program and all directions regarding the *Project* establishaim writingby thiDEP.

4. This Agreement may only be amended with the written consent of both parties hereto,

S The laws of the State of West Virginia shall govern this Agreement,

6_ This Agreement shall **terminate** upon the completion of Project and a written notice from DEP.

IN WITNESS THEREOF, the parties hereto have caused this DEP Construction Grant Agreement to be executed by the respective duly authorized officers as of the date executed below by the DEP.

TOWN OF HINTON, WEST VIRGINIA

By:_____

Its: Mayor

Date: it- V-ml

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTON

By:, LI

Its: Directorj' 3ivision of Water Resources

Date; 1 =7- o

Legion I Mantling &Development Council

1330 Mercer St..
P. O. Box 1442
Princeton, WV 24740

(304) 431-7225
Fax (304) 431-7235
region' @citlink.. net

August 17, 2001

AU 20 2001

Mr. Lonnie Mullins, President
Summers County Commission
POBox97
Hinton WV 25951

Dear Lonnie:

As per our telephone conversation yesterday, I *have enclosed a* copy *of the* checking account you need to deposit the $13,000 Summers and Raleigh County received on behalf of the Gold Coast, Beech Run, Madams Creek, River Road and Brooks/Barksdale Sewer Study_

I have attached an invoice from Stafford Consultants to the City of Hinton for $23,775.49_ The money the County Commission received will be applied toward the attached invoice.

If you have any additional questions concerning this request, please call mc.

Sincerely,

D:vidN. Cole
Assistant Director
0P-'

cc_ Cleo P. Mathews, Mayor
City of Hinton

Stafford Consultants, Inc.

Pay to Hinton Study

Bobby Gold Rd 304-732-6707

CL L 1

SUMMERS COUNTY COMMISSION PURCHASE ORDER

Send All Invoices To-

SUMMERS COUNTY CLERK

P_ 0 Sox 97

Hinton, WV 25951

Date' 6/0 i

Acct. No. ~f- LI 43

Req By-

Dept

TO- (ay1, VV.

coo, 103 Of-'.L 06

Quantity	Description	Unit Price	Total Price
	Co-Payment on		12,000
	Engineering Feasibility Stu[redacted]		
	Sponsored By		
	Summers Co / RBI Co /		
	City of Hinton		
Total			13,000.00

Approved
Summers County Commission
Hi ton, WV

Pres.

Comm.

Gomm;,'

RECEIVED

FEB 1 7 2004

REGION I P DC

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