THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

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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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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 for 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 Constitutes 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 1990 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 of 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 of 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 Bonds. 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 of 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 and 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 Registration. 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 bona 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, Stolen 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 3.08. Bonds not to be Indebtedness of the 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 by Pledge of 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 of 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 Bond]

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 1, 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-____ $_____

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 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. O. 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
(1)	$		(6)	$	
(2)	$		(7)	$	
(3)	$		(8)	$	
(4)	$		(9)	$	
(5)	$		(10)	$	

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:

_____

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 1990 B 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 of 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 by 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 of 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 Against 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 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.

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 8.03 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 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.

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 of 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 X

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 of 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

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD, NJ 07016 EB 11-1C

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

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD [illegible] 80-11-10

WDA-5
(February 1990)

LOAN AGREEMENT

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

CITY OF HINTON
(Name of Governmental Agency)

W I T N E S S E T H:

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

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

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

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

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

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

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

ARTICLE I

Definitions

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

1.2 "Consulting Engineers" means the consulting engineer designated in the Application and any successor thereto.

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

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

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

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

1.7 "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.

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

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

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

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

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

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

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

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

2.6 The Governmental Agency agrees that it will permit the Authority and its agents to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof.

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed

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

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

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

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

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") necessary for the construction of the Project and operation of the System, and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority shall have received an

opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

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

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

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

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

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

ARTICLE IV

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

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official

action of the Governmental Agency in accordance with the Local Statute, which shall, as enacted, contain provisions and covenants in substantially the form as follows:

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

(b) Covenants substantially as follows:

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

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

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

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be

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

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant and shall submit the report of said audit to the Authority, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Loan Agreement;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

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

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

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

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

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

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

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

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

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

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

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

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

4.8 As long as the Authority is the owner of any of the Local Bonds outstanding, the Governmental Agency shall not redeem any of such Local Bonds outstanding without the written consent of the Authority, and any such redemption of Local Bonds authorized by the Authority shall provide for the payment

of interest to the first allowable redemption date for the applicable water development revenue bonds, the redemption premium payable on the applicable water development revenue bonds redeemable as a consequence of such redemption of Local Bonds and the costs and expenses of the Authority in effecting any such redemption, all as further prescribed by Section 9.11 of the General Resolution. Nothing in this Loan Agreement shall be construed to prohibit the Authority from refunding applicable water development revenue bonds, and such refunding need not be based upon or result in any benefit to the Governmental Agency.

ARTICLE V

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

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

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

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

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

ARTICLE VI

Other Agreements of the Governmental Agency

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

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

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

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

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

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

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

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

ARTICLE VII

Miscellaneous

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

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

7.3 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this

Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

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

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

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

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

7.8 This Loan Agreement shall terminate upon the earlier of:

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

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

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

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly

authorized officers as of the date executed below by the Authority.

City of Hinton
[Proper Name of Governmental Agency]

(SEAL)

By James A. Leslie, Jr.
Its Mayor

Attest:

Date: June 14, 1990

Cynthia S. Cooper
Its Recorder

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

By Daniel B. Yarosky
Director

Attest:

Date: June 14, 1990

Barbara B Meadows
Secretary-Treasurer

WDA-5X
(March 1988)

SCHEDULE X
DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $637,262.00

Purchase Price of Local Bonds $637,262.00

Interest on the Local Bonds is payable on April 1 and October 1 in each year, beginning with the first semiannual interest payment date after delivery of the Local Bonds to the Authority, until the Local Bonds are paid in full, at the rate of 7.85 % per annum. Principal of the Local Bonds is payable on October 1 in each year as set forth on Exhibit 1 attached hereto and incorporated herein by reference.

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

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

City of Hinton
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 14-Jun-90

Date	Coupon	Principal	Interest	Debt Service 7.85% Bonds
01-Oct-90			14,868.56	14,868.56
01-Oct-91	7.85%	2,770.00	50,025.07	52,795.07
01-Oct-92	7.85%	2,988.00	49,807.62	52,795.62
01-Oct-93	7.85%	3,223.00	49,573.06	52,796.06
01-Oct-94	7.85%	3,476.00	49,320.06	52,796.06
01-Oct-95	7.85%	3,749.00	49,047.19	52,796.19
01-Oct-96	7.85%	4,043.00	48,752.90	52,795.90
01-Oct-97	7.85%	4,360.00	48,435.52	52,795.52
01-Oct-98	7.85%	4,703.00	48,093.26	52,796.26
01-Oct-99	7.85%	5,072.00	47,724.08	52,796.08
01-Oct-2000	7.85%	5,470.00	47,325.92	52,795.92
01-Oct-2001	7.85%	5,899.00	46,896.53	52,795.53
01-Oct-2002	7.85%	6,363.00	46,433.46	52,796.46
01-Oct-2003	7.85%	6,862.00	45,933.96	52,795.96
01-Oct-2004	7.85%	7,401.00	45,395.29	52,796.29
01-Oct-2005	7.85%	7,982.00	44,814.32	52,796.32
01-Oct-2006	7.85%	8,608.00	44,187.73	52,795.73
01-Oct-2007	7.85%	9,284.00	43,512.00	52,796.00
01-Oct-2008	7.85%	10,013.00	42,783.21	52,796.21
01-Oct-2009	7.85%	10,799.00	41,997.19	52,796.19
01-Oct-2010	7.85%	11,647.00	41,149.46	52,796.46
01-Oct-2011	7.85%	12,561.00	40,235.18	52,796.18
01-Oct-2012	7.85%	13,547.00	39,249.14	52,796.14
01-Oct-2013	7.85%	14,610.00	38,185.70	52,795.70
01-Oct-2014	7.85%	15,757.00	37,038.81	52,795.81
01-Oct-2015	7.85%	16,994.00	35,801.89	52,795.89
01-Oct-2016	7.85%	18,328.00	34,467.86	52,795.86
01-Oct-2017	7.85%	19,767.00	33,029.11	52,796.11
01-Oct-2018	7.85%	21,319.00	31,477.40	52,796.40
01-Oct-2019	7.85%	22,992.00	29,803.86	52,795.86
01-Oct-2020	7.85%	24,797.00	27,998.99	52,795.99
01-Oct-2021	7.85%	26,744.00	26,052.42	52,796.42
01-Oct-2022	7.85%	28,843.00	23,953.02	52,796.02
01-Oct-2023	7.85%	31,107.00	21,688.84	52,795.84
01-Oct-2024	7.85%	33,549.00	19,246.94	52,795.94
01-Oct-2025	7.85%	36,183.00	16,613.35	52,796.35
01-Oct-2026	7.85%	39,023.00	13,772.98	52,795.98
01-Oct-2027	7.85%	42,086.00	10,709.68	52,795.68
01-Oct-2028	7.85%	45,390.00	7,405.93	52,795.93
01-Oct-2029	7.85%	48,953.00	3,842.81	52,795.81
		637,262.00	1,436,650.30	2,073,912.30

SCHEDULE Y
REVENUES

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

(i) to pay Operating Expenses of the System;

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

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

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

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

SCHEDULE Z

Additional and Supplemental Definitions

1. "EPA" means the United States Environmental Protection Agency and any successors to the functions thereof.

2. "Local Statute" means Chapter 16, Article 13, of the Code of West Virginia, 1931, as amended.

3. "System" means a sewage collection system and/or treatment plant or plants, intercepting sewers, outfall sewers, force mains, pumping stations, ejector stations and all appurtenances necessary or useful and convenient for the collection and/or a treatment, purification and disposal, in a sanitary manner, of liquid and solid waste, sewage, night soil and industrial wastes, in its entirety or any integral part thereof, owned by the Governmental Agency and under the supervision and control of a sanitary board, and any extensions, improvements or betterments thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

Additional Conditions and Covenants

1. The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with, among other State and federal standards, the water quality standards established by the West Virginia Department of Natural Resources and EPA.

2. The Governmental Agency agrees that it will permit the EPA to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof.

3. As a condition precedent to the Authority's making the Loan, the Governmental Agency shall have obtained, among other permits required, permits from the EPA and the West Virginia Department of Natural Resources and approval of the "Part B" supplement to its EPA grant agreement.

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

> That the Governmental Agency will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System and, in the event the Governmental Agency owns a water facility (the "Water System"), the Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid.

5. To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

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

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

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

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

(c) All of the proceeds from the sale of the Local Bonds which will be used for payment of costs of the Project will be expended for

such purpose within three years from the date of issuance of the Authority's water development revenue bonds; and

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

WHEREAS, on or prior to the date hereof, the Governmental Agency and the Authority entered a loan agreement with respect to the purchase by the Authority of certain Local Bonds of the Governmental Agency, all as more specifically described in Exhibit A attached hereto and incorporated herein by reference (the "Loan Agreement"); and

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

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

ARTICLE I

Definitions; Loan Agreement

1.1 Capitalized terms used and not otherwise defined herein shall have the meanings respectively given them by the Loan Agreement.

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

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

1.4 "Supplemental Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, to evidence the Supplemental Loan, as hereinafter defined, and to be purchased by the Authority with certain available funds (other than the proceeds of its water development revenue bonds), the lien of which on the revenues

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(March 1988)

SUPPLEMENTAL LOAN AGREEMENT

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

CITY OF HINTON
(Name of Governmental Agency)

W I T N E S S E T H:

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

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

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

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

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

of the System is junior, subordinate and inferior to that of the Local Bonds, all in accordance with the provisions of this Supplemental Loan Agreement.

1.5 "Supplemental Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Supplemental Bonds pursuant to this Supplemental Loan Agreement.

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

1.7 This Supplemental Loan Agreement is supplemental to the Loan Agreement, the terms of which are incorporated herein by reference.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

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

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

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

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

2.6 The Governmental Agency agrees that it will permit the Authority and its agents to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof.

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and

all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing and maintained so long as any of the Supplemental Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Supplemental Bonds is outstanding, business interruption insurance if available at a reasonable cost.

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

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

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

ARTICLE III

Conditions to Supplemental Loan; Issuance of Supplemental Bonds

3.1 The agreement of the Authority to make the Supplemental Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority, of each and all of those certain conditions precedent on or before the delivery date for the Supplemental Bonds, which shall be the

date established pursuant to Section 3.4 of the Loan Agreement for delivery of the Local Bonds. Said conditions precedent are as follows:

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

(b) The Governmental Agency shall have authorized the issuance of and delivered to the Authority for purchase the Supplemental Bonds described in this Article III and in Article IV hereof and shall have delivered to the Authority for purchase the Local Bonds in accordance with the Loan Agreement;

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

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

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") necessary for the construction of the Project and operation of the System, and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such

rates and charges is not, however, required to be effective until completion of construction of the Project), and the Authority shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

(i) The net proceeds of the Supplemental Bonds, together with the net proceeds of the Local Bonds and all other 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) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of water development projects and satisfactory to the Authority, to such effect, such certificate to be in form and substance satisfactory to the Authority, and evidence satisfactory to the Authority of such irrevocably committed grants.

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

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

3.4 The Supplemental Loan will be made only in conjunction with the Loan. The Supplemental Bond shall be delivered to the Authority, at the offices of the Authority,

simultaneously with the delivery of the Local Bond to the Authority.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the Governmental Agency's fulfilling all of the terms and conditions of this Supplemental Loan Agreement and the Loan Agreement on or prior to the Date of Loan Closing and to the right of the Authority to make such loans to other governmental agencies under the conditions and in the manner described in the Loan Agreement. The Governmental Agency further understands and acknowledges that the Authority's obligation to make the Supplemental Loan is subject to the availability on the Date of Loan Closing of funds legally available therefor.

3.6 Anything in this Loan Agreement notwithstanding, if the Authority is unable to pay the proceeds of the Supplemental Bonds to the Governmental Agency on the Date of Loan Closing due to the time required for processing the purchase order or requisition for such moneys with the State, the Authority may pay such proceeds as soon as received after the Date of Loan Closing; provided, that the Supplemental Bonds shall not evidence any debt to be repaid to the Authority until the proceeds thereof are received by the Governmental Agency.

ARTICLE IV

Supplemental Bonds; Security for Supplemental Loan; Repayment of Supplemental Loan; No Interest on Supplemental Loan; Fees and Charges

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

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

(b) Covenants substantially as follows:

(i) That the Supplemental Bonds shall be secured by the gross or net revenues from the System, as more fully set forth in Schedules X and Y attached hereto, subject to the prior and senior security therefrom granted to the Local Bonds;

(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 the Supplemental 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 the Supplemental Bonds or, if the reserve accounts established for the payment of debt service on the Local Bonds (the "Reserve Account") and for the payment of debt service on the Supplemental Bonds (the "Supplemental Reserve Account") are funded (whether by bond proceeds, monthly deposits or otherwise), respectively, at an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement") or on the Supplemental Bonds in the then current or any succeeding year (the "Supplemental Reserve Requirement"), as the case may be, 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 the Supplemental Bonds and any such prior or parity obligations;

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

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Supplemental Bonds, except the Local Bonds and bonds on a parity with the Supplemental Bonds, which parity bonds 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 Supplemental Bonds and parity bonds theretofore and then being issued and on the Local Bonds and any other obligations secured by a lien on or payable from the revenues of the System prior to the Supplemental Bonds; provided, however, that additional parity Local Bonds and additional parity Supplemental Bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant and shall submit the report of said audit to the Authority, which report shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Supplemental Loan Agreement;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

(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 Supplemental Bonds, except any proceeds deposited in the Reserve Account or the Supplemental Reserve Account, must be deposited in a construction fund on which the owners of the Supplemental Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing for non-construction costs); provided, that said construction fund may be the one established for the Local Bonds, which shall have a prior and senior lien thereon, but shall otherwise be kept separate and apart from all other funds of the Governmental Agency; and

(xv) That, as long as the Authority is the owner of any of the Supplemental Bonds, the Governmental Agency shall not authorize redemption of any Supplemental Bonds by it without the written consent of the Authority.

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

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

4.3 The principal of the Supplemental Loan shall be repaid by the Governmental Agency annually on the day and in the years provided in Schedule X hereto.

4.4 The Supplemental Loan shall not bear interest.

4.5 The Supplemental Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency.

4.6 The Governmental Agency agrees to pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Supplemental Program, which administrative expenses shall be as determined by the Authority and shall include, but not be limited to, legal fees paid by the Authority.

4.7 If the schedule furnished to the Authority pursuant to Section 6.5 reflects an excess of funding for the Project, or if the Authority is otherwised advised of an excess of funding for the Project, the Authority may tender to the Governmental Agency its Supplemental Bonds for payment in an amount equal to such excess. Notwithstanding the foregoing, if the Governmental Agency has grant anticipation notes or some other interim financing outstanding upon completion of construction of the Project, it shall advise the Authority of such fact and submit a second schedule to the Authority upon payment of the interim financing, and the Authority shall not tender its Supplemental Bonds for payment until the outstanding interim financing has been paid.

ARTICLE V

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

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

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds and the Supplemental Bonds shall prove to be insufficient to produce the minimum sums set

forth in the Local Act, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges so as to provide funds sufficient to produce the minimum sums set forth in the Local Act and as required by this Supplemental Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment of any fees due to the Authority pursuant to Section 4.6 hereof, the amount of such default shall bear interest at the rate of five percent (5%) per annum, from the date of the default until the date of the payment thereof.

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

ARTICLE VI

Other Agreements of the Governmental Agency

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

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

the Authority by the Governmental Agency in connection with the Loan or the Supplemental Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Loan Agreement or this Supplemental Loan Agreement.

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

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

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

ARTICLE VII

Miscellaneous

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

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

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

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

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

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

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

7.8 This Supplemental Loan Agreement shall terminate upon the earlier of:

(i) termination by the Authority of the Loan Agreement pursuant to Subsections 7.8(i) or (ii) thereof;

(ii) termination by the Authority pursuant to Section 6.2 hereof; or

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

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

City of Hinton
[Proper Name of Governmental Agency]

(SEAL) By James A. Leslie Jr.
Its Mayor

Attest: Date: June 14, 1990

Cynthia S. Cooper
Its Recorder

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL) By Daniel B. Yankoski
Director

Attest: Date: June 14, 1990

Barbara B. Meadows
Secretary-Treasurer

WDA-Supp. 5X
(March 1988)

SCHEDULE X
DESCRIPTION OF SUPPLEMENTAL BONDS

Principal Amount of Supplemental Bonds	$ 29,738.00
Purchase Price of Supplemental Bonds	$ 29,738.00

Principal of the Supplemental Bonds is payable on October 1 in each year as set forth on Exhibit 1 attached hereto and incorporated herein by reference. The Supplemental Bonds bear no interest.

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

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

City of Hinton
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 14-Jun-90

Date	Interest Free Loan
01-Oct-90	
01-Oct-91	762.62
01-Oct-92	762.51
01-Oct-93	762.51
01-Oct-94	762.51
01-Oct-95	762.51
01-Oct-96	762.51
01-Oct-97	762.51
01-Oct-98	762.51
01-Oct-99	762.51
01-Oct-2000	762.51
01-Oct-2001	762.51
01-Oct-2002	762.51
01-Oct-2003	762.51
01-Oct-2004	762.51
01-Oct-2005	762.51
01-Oct-2006	762.51
01-Oct-2007	762.51
01-Oct-2008	762.51
01-Oct-2009	762.51
01-Oct-2010	762.51
01-Oct-2011	762.51
01-Oct-2012	762.51
01-Oct-2013	762.51
01-Oct-2014	762.51
01-Oct-2015	762.51
01-Oct-2016	762.51
01-Oct-2017	762.51
01-Oct-2018	762.51
01-Oct-2019	762.51
01-Oct-2020	762.51
01-Oct-2021	762.51
01-Oct-2022	762.51
01-Oct-2023	762.51
01-Oct-2024	762.51
01-Oct-2025	762.51
01-Oct-2026	762.51
01-Oct-2027	762.51
01-Oct-2028	762.51
01-Oct-2029	762.51
	29,738.00

SCHEDULE Y
REVENUES

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

(i) as prescribed by the Loan Agreement, to pay Operating Expenses of the System;

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

(iii) as prescribed by the Loan Agreement, 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;

(iv) beginning thirteen (13) months prior to the first date of payment of principal of the Supplemental Bonds, to provide debt service on the Supplemental Bonds by

depositing in a sinking fund one-twelfth (1/12) of the principal payment next coming due on the Supplemental Bonds and, if the Supplemental Reserve Account was not funded concurrently with the issuance thereof in an amount equal to the Supplemental Reserve Requirement, by depositing in the Supplemental Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) (or such other amount as shall be acceptable to the Authority and as shall fund the Reserve Account over not more than 10 years) of the Supplemental Reserve Requirement or, if the Supplemental Reserve Account has been so funded (whether by Supplemental Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Supplemental Reserve Account at the Supplemental Reserve Requirement;

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

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

SCHEDULE Z

Additional and Supplemental Definitions

1. "EPA" means the United States Environmental Protection Agency and any successors to the functions thereof.

2. "Local Statute" means Chapter 16, Article 13, of the Code of West Virginia, 1931, as amended.

3. "System" means a sewage collection system and/or a treatment plant or plants, intercepting sewers, outfall sewers, force mains, pumping stations, ejector stations and all appurtenances necessary or useful and convenient for the collection and/or treatment, purification and disposal, in a sanitary manner, of liquid and solid waste, sewage, night soil and industrial wastes, in its entirety or any integral part thereof, owned by the Governmental Agency and under the supervision and control of a sanitary board, and any extensions, improvements or betterments thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

Additional Conditions and Covenants

1. The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with, among other State and federal standards, the water quality standards established by the West Virginia Department of Natural Resources and EPA.

2. The Governmental Agency agrees that it will permit the EPA to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof.

3. As a condition precedent to the Authority's making the Supplemental Loan, the Governmental Agency shall have obtained, among other permits required, permits from the EPA and the West Virginia Department of Natural Resources and approval of the "Part B" supplement to its EPA grant agreement.

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

> That the Governmental Agency will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System and, in the event the Governmental Agency owns a water facility (the "Water System"), the Water System to all users of services of the System delinquent in payment of charges for the services of the System and will not restore the services of either system until all delinquent charges for the services of the System have been fully paid.

5. To the extent required by law, the Governmental Agency hereby covenants and agrees to secure approval of the Authority and all other State agencies having jurisdiction before applying for federal financial assistance for pollution abatement in order to maximize the amounts of such federal financial assistance received or to be received for all water development projects in the State.

6. Subject to any prior or parity obligations described in Schedules X and Y attached to the Supplemental Loan Agreement, and to the prior lien of the Local Bonds, the net revenues derived from the operation of the System are pledged to the payment of the principal of the Supplemental Bonds.

United States Department of Agriculture
Farmers Home Administration
298 Ragland Road
Beckley, WV 25801
Telephone (304) 252-8644

November 17, 1988

Honorable James A. Leslie, Jr.
Mayor, City of Hinton
P.O. Box 866
Hinton, WV 25951

Dear Mayor Leslie:

This letter, with attachments 1 through 9 and enclosures, establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by FmHA by written amendment to this letter. Any changes not approved by FmHA shall be cause for discontinuing process of the application.

This letter is not to be considered as loan approval or as representation to the availability of funds. The docket may be completed on the basis of an FmHA loan not to exceed $668,000.00, a WDA loan not to exceed $667,000.00 and other funding in the amount of $2,789,000.00, for a total project cost of $4,124,000.00. The other funding is planned in the form of a grant(s) from EPA ($2,093,000) and ARC ($696,000.00).

If FmHA makes the loan, you may make a written request that the interest rate be the lower of the rate in effect at the time of loan approval or the time of loan closing. If you do not request the lower of the two interest rates, the interest rate charged will be the rate in effect at the time of loan approval. The loan will be considered approved on the date a signed copy of Form FmHA 1940-1, "Request for Obligation of Funds," is mailed to you. If you want the lower of the two rates, your written request should be submitted to FmHA as soon as practical. In order to avoid possible delays in loan closing, such a request should ordinarily be submitted at least 30 calendar days before loan closing.

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. The enclosures and attachments listed below are attached to the copies as noted.

Enclosed are the following:

FmHA Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D. C. 20250

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Attachment No. 1 - Final Project Planning Factors (All copies)
Attachment No. 2 - City of Hinton Loan Docket Table of Contents (All Copies)
Attachment No. 3. FmHA Instruction 1942-A, Section 1942.17 (Applicant Copy)
Attachment No. 4 - FmHA Instruction 1942-A, Section 1942.18 (Engineer Copy)
Attachment No. 5 - FmHA Instruction 1942-A, Section 1942.19 (Attorney and Bond Counsel Copies)
Attachment No. 6 - FmHA Supplemental General Conditions (Engineer Copy)
Attachment No. 7 - Standards for Audits of Governmental Organizations, Programs, Activities and Functions (Accountant's Copy)
Attachment No. 8 - Sample Credit Agreement (Applicant and Attorney Copies)
Attachment No. 9 - Various other FmHA Forms as identified on Attachment No. 2

The agreement you provided with your preapplication and application for legal services has been found acceptable, and the costs for that service has been included in the project budget contained in Attachment No. 1. The Engineering Agreement is now being reviewed and will be addressed by separate correspondence.

Your documents concerning the creation of your authority are administratively acceptable; however, they will be further reviewed by our Office of the General Counsel at the time your file is forwarded for closing instructions. Any changes required by our Office of the General Counsel will be included in the closing instructions.

The conditions referred to above are as follows:

1. Loan Repayment - The loan will be scheduled for repayment over a period of 40 years. The payments due the first 24 months will consist of interest only. Payments for the remaining 456 months will be equal amortized monthly installments. For planning purposes use a 5% interest rate and a monthly amortization factor of .00491, which provides for a monthly payment of $3,280.00. Concerning the $667,000.00 WDA loan, use an 8.75 per cent interest rate for planning purposes and an annual amortization factor of .09127 (38 year amortization with first two years interest payments only). The resulting annual debt service for planning purposes will be $60,878.00 Your authority must establish and fund monthly a debt service reserve account in an amount equal to at least 1/10th of your monthly debt service payment. The debt service reserve requirement for the WDA Loan (planning purposes) will be 10% of the debt service per year or $6088.00. Additionally a 2 1/2% repair and replacement reserve will be planned in connection with the WDA loan.

   You are reminded that your authority may be required to refinance (graduate) the unpaid balance of its FmHA

loan, in whole or in part, upon the request of FmHA if at anytime it shall be determined the authority is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time.

2. Security - The loan must be secured by a statutory lien of first and equal priority with the WDA Loan, a pledge of the system's revenues and other agreements between you and the lenders (FmHA & WDA) as set forth in the bond ordinance which must be properly adopted and executed by the appropriate officials of your organization. Additional security requirements are contained in Form FmHA 1942-47 which is mentioned later.

3. Users - This conditional commitment is based upon your providing evidence that you will have at least 1442 bona fide users on the proposed system when it has been completed and is placed in operation. This evidence will consist of a certification from you that identifies and attests to the number of users that are actually connected to and using the authority's existing sewer system at the time you request authorization to advertise the proposed project for construction bids

4. Bond Counsel - The services of a recognized bond counsel are required. The bond counsel will prepare the form of ordinance to be used, in accordance with Section 1942.19 of FmHA Instruction 1942-A. You should immediately provide your bond counsel with a copy of this letter of conditions, its attachments and enclosures. It will, of course, be ~~necessary that~~ the ordinance be drafted to include or provide for both the FmHA and WDA loans.

5. Facility Control - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Such evidence must be in the following form:

   a. A right-of-way map showing clearly the location of all lands and rights needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.

   b. A copy of deeds, contracts or options for any lands needed other than rights-of-way, along with a preliminary title opinion covering such lands. Form FmHA 427-9, "Preliminary Title Opinion," may be used. Also, in the case of existing systems or where the authority has already acquired real property (land or facilities), a preliminary title

opinion(s) concerning all such property(s) will be provided.

c. A narrative opinion from your attorney concerning all permits, certificates and other items necessary to show that all legal requirements can be met and stating how they will be met. This narrative should also identify any condemnation proceedings that are anticipated and state how they will be handled.

d. A copy of the right-of-way easements for any rights-of-way needed on private lands. Form FmHA 442-20, "Right-of-Way Easement," may be used. Each easement need not be provided this office; however, each must be available for my review. A copy of the easement being used must be provided.

e. A certification and leal opinion relative to title to the rights-of-way and easements Form FmHA 442-21, "Right-of-Way Certificate," and Form FmHA 442-22, "Opinion of Counsel Relative to Rights-of-Way," may be used. These forms may contain a few exceptions such as properties that must be condemned; however, prior to the start of construction or loan closing, whichever occurs first, new Forms, FmHA 442-21 and 442-22 must be provided which do not provide for any exceptions.

f. On the day of loan closing, the authority's attorney must furnish final title opinions on all land(s) being acquired. In the case of existing systems or where the authority has already acquired real property(s) (land or facilities), the authority's attorney will provide a separate final title opinion(s) covering such property(s) on the day of loan closing.

6. <u>Permits</u> - Copies of all permits needed for the project must be provided for our review prior to advertisement for construction bids. Such permits will include but are not limited to the following:

-West Virginia Department of Highways
-Railroads
-State Department of Health
-Department of Natural Resources
-Corps of Engineers
-Public Land Corporation

7. Public Service Commission Approvals and Rates - You must determine that the Certificate of Convenience and Necessity which you now have from the Public Service Commission of West Virginia is adequate to cover the entire area to be served by the proposed system. If it is not adequate, a new certificate must be obtained and a copy provided for FmHA. If it is determined the authority's present certificate is adequate, written evidence of that fact must be provided FmHA. The authority must properly develop, adopt, and promulgate the required rates in accordance with the applicable provisions of Article I, Chapter 24 of the Code of West Virginia, as amended, and to the satisfaction of your bond counsel. The rate ordinance as adopted must include, as a minimum, all the rate related items (everything except project costs section, the use analysis section, and the operation and maintenance expense breakdown section) contained in the attached project planning factors (Attachment No. 1). The draft rate ordinance must be provided for FmHA review and concurrence prior to its adoption.

It should be clearly understood that the rates and rate related information included in Attachment No. 1 hereto, was developed based on the information provided by you and your engineer and that it is presented as a minimum requirement only.

You, your accountant and engineer must determine the rates and necessary rate related information which is to be included in the rate ordinance is acceptable to EPA and includes necessary information (items) to meet all EPA requirements in connection therewith, i.e., industrial costs recovery, surcharge for excessive strength sewage, etc.

8. Accounting - You must obtain the services of a qualified accountant. That accountant must agree (by letter) to develop and provide the following.

   a. Any necessary accounting material required by the Public Service Commission of West Virginia (Rule 42).

   b. Prior to advertisement for bids, your accountant must state in writing that he will establish your accounts and records in accordance with the requirements of the ordinance and the requirements of the Public Service Commission within 20 days from the notice to do such.

   c. Prior to the start of construction, the accountant must certify that the accounts and records as required in (b) above have been established and are operational.

A representative of my office will review your accounts and records prior to authorizing the issuance of award(s) to the contractor(s).

FmHA regulations (Attachment No. 3) outline requirements for the submission of management reports and audits. Appropriate state statutes place certain audit requirements for your authority. The attached booklet, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions," (Attachment No. 7) outlines FmHA Audit requirements. You are reminded that certain provisions of Office and Management and Budget Circular (A-128) (A-110) are applicable to any public body that receives $100,000 or more in federal funds in any one year. You must enter into an agreement annually with an accountant (or the State Tax Commission) to perform the audit. The agreement must be in accordance with the requirements of the State Tax Commissioner of West Virginia.

Audit Reports must be prepared to comply with the requirements of OMB Circular A-128 or A-110, as applicable.

9. Insurance and Bonding Requirements:

a. Prior to preliminary loan closing, you must acquire the following insurance and bond coverage:

(1) Liability Insurance - Personal Liability - Minimum $500,000 Property Damage - Minimum $200,000-$200,000. The limits of liability coverage noted herein should be considered as minimum requirements only. FmHA recommends that you consider increasing the given limits of liability after analyzing your specific needs.

(2) Workmen's Compensation - In accordance with appropriate State laws.

(3) Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded for the maximum amount of funds to be under the control of that position at any one time. Form FmHA 440-24, "Position Fidelity Bond," will be used. A certified and effective dated power-of-attorney will be attached to each bond.

(4) National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition and/or construction is designated special flood or mudslide prone areas:

(a) If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.

(b) Applicants whose buildings, machinery or equipment are to be located in a community which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.

(5). Real Property Insurance - Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein, in an amount equal to the insurable value thereof. This does not apply to water reservoirs, standpipes, elevated tanks or noncombustible materials used in treatment plants, clearwells, filters and the like.

10. You are, or have been approved to become, a recipient of Federal financial assistance from the United States Department of Agriculture,

In the case of Paralyzed Veterans of America, et al, Plaintiff, V. Williams French Smith, et al, Defendants, United States District Court, Central District of California, No. 79-1979 WPG, the Honorable William P. Gray ordered the United States Department of Agriculture to notify you that as a recipient of such assistance you are required to comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794), even though the United States Department of Agriculture has not yet issued final regulations implementing Section 504 of the Rehabilitation Act.

Section 504 of the Rehabilitation Act is designed to assure that those who receive Federal financial assistance will not discriminate against handicapped persons. It provides in relevant part as follows:

> "No otherwise qualified handicapped individual in the United States. . . shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Effective June 3, 1977, the Department of Health and Human Services issued final regulations implementing Section 504 as it applies to recipients of Federal financial assistance from the agency (45 C.F.R. Part 84). You may look to the HHS regulation for guidance as to your obligation under Section 504 of the Rehabilitation Act.

11. Contract Documents, Final Plans and Specifications:

a. The contract documents should consist of the following:

(1) FmHA Instruction 1942-A, Guide 19, "Agreement," and Attachments 1-9.

(2) Farmers Home Administration Supplemental General Conditions (Guide 18, 7-1-86 Revised WV). One copy of this item is attached hereto (Attachment No. 6). Additional copies must be reproduced by the engineer.

b. The contract documents must provide, as a minimum, the following insurance:

(1) Liability Insurance -Personal Liability- $500,000 Property Damage - $200,000-$200,000. (This coverage must include indemnification of the authority and its engineer.) FmHA Guide 18 suggests certain limits of liability for insurance coverage. Those limits should be considered as minimum requirements only. It is recommended you consider increasing the given limits of liability after analyzing your specific needs.

(2) Builder's Risk Insurance - On all structures and mechanical and electrical equipment in place or stored on the site to the full insurable value thereof.

(3) Workmen's Compensation - In accordance with applicable State laws.

c. The contract documents and final plans and specifications must be submitted to FmHA for approval.

d. The project must be designed in compliance with section 504 of the Rehabilitation Act of 1973.

12. Interim Financing - Interim financing will be used for the FmHA loan if it is available at reasonable rates and terms. You must provide FmHA with a copy of the tentative agreement reached in connection with interim financing. The enclosed Sample Credit Agreement (Attachment No. 8) is an acceptable agreement and may be used.

13. Disbursement of Funds - The FmHA funds will be advanced as they are needed in the amount(s) necessary to cover FmHA's proportionate share of any disbursements required of your authority, over 30 day periods.

Any funds not disbursed immediately upon receipt must be deposited in interest bearing account in accordance with OMB Circular A-110. Interest earned on these funds must be remitted promptly, or at least quarterly, to the Farmers Home Administration.

14. Other Grants - Prior to advertisement for construction bids, you must provide evidence showing the approval of the other grants. This evidence should include a copy of the grant award. Prior to award of the contract(s) to the contractor(s), you must provide written evidence that the "other" grant funds are available for expenditure. This evidence should consist of at least a letter from the grantor stating that funds are available for expenditure.

Council

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

Form FmHA 442-7 - Initial Operating Budget
Form FmHA 1940-1 - Request for Obligation of Funds
Form FmHA 1942-47 - Loan Resolution
Form FmHA 400-1 - Equal Opportunity Agreement
Form FmHA 400-4 - Assurance Agreement

16. The enclosed Processing Checklist (Attachment No. 2) outlines the items needed to complete the loan docket. All the items listed must be included in the loan docket when it is forwarded to the FmHA State Office with a request for loan closing instructions to be issued.

17. Upon receipt of the loan docket, which contains all the items required above, FmHA may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide FmHA with (a) a bid tabulation, (b) recommendations from you and your engineer as to the acceptability of the bids received, and (c) your recommendations for contract awards.

18. When the items required by item 17 have been received by the FmHA State Office, they will be included in the loan docket. If all parties then agree the construction bids received are acceptable, it is determined that adequate funds are available to cover the total facility costs, and that all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met before the loan can be closed. When all parties agree that the closing

requirements can be met, a mutually acceptable date for the preliminary loan closing will be scheduled.

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

Please complete and return the enclosed Form FmHA 442-46, "Letter of Intent to Meet Conditions," if you desire further consideration be given your application.

If the conditions set forth in this letter are not met within six (6) months from the date hereof, FmHA reserves the right to discontinue processing of the application. In the event the project has not advanced to the bid stage within the six-month period and it is determined the authority still wishes to proceed with the project, it will be necessary that the proposed budget and rates be reviewed again in detail. If during that review, it is determined those items are no longer current and/or adequate, FmHA reserves the right to require that they be revised or replaced as may be necessary and appropriate.

Sincerely,

Gerald Miller
GERALD MILLER
District Director

cc: Administrator, FmHA
Attn: Water and Waste Disposal
Loan Division
Washington, DC

Mr. Ed Henry
Director, Water Development Authority
1201 Dunbar Avenue
Dunbar, WV 25064

State Director, FmHA
Morgantown, WV

County Supervisor, FmHA
Union, WV

Michael Lawson, Engineer
Lawson Engineering
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David Ziegler,
Attorney At Law
110 James St.
Hinton, WV 25951

Steptoe and Johnson,
Attorneys At Law
P.O. Box 2190
Clarksburg, WV 26301

Harry Southerland,
Accountant
Hinton, WV 25951

Environmental Protection Agency
Department of Natural Resources
1201 Greenbrier Street
Charleston, WV 25311

OFFICIAL AGENCY FILE COPY

United States Department of Agriculture

Farmers Home Administration

298 Ragland Road
Beckley, WV 25801
Phone: 252-8644

July 26, 1989

Honorable James A. Leslie, Jr.
Mayor, City of Hinton
P. O. Box 866
Hinton, WV 25951

RE: Sewer Loan

Dear Mayor Leslie:

This letter is an amendment to our Letter of Conditions dated 11-17-88 concerning the following:

9. Insurance and Bonding Requirements:

(a) Prior to preliminary loan closing, you must acquire the following insurance and bond coverage:

(1) Liability Insurance - Personal Liability - $500,000; Property Damage - $200,000-$200,000. The limits of liability coverage noted herein should be considered as suggested amounts only. FmHA recommend that you consider analyzing your actual needs in detail before you obtain coverage in a specific amount.

(2) Workers' Compensation - In accordance with appropriate State laws.

(3) Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. As a good business practice you will probably wish to have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to FmHA will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s). Form FmHA 440-24, "Position Fidelity Bond," may be used. A certified and effective dated power-of-attorney will be attached to each bond.

(4) National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition and/or construction in designated special flood or mudslide prone areas:

FmHA Farmers Home Administration is an Equal Opportunity Lender. Complaints of discrimination should be sent to:

(a) If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.

(b) Applicants whose buildings, machinery or equipment are to be located in a community which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.

(5) Real Property Insurance - Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all above-ground structures, to include machinery and equipment housed therein. This does not apply to water reservoirs, standpipes, elevated tanks or non-combustible materials used in treatment plants, clearwells, filters and the like.

All other conditions remain unchanged in the Letter of Conditions and must be satisfied before the loan will be closed.

Sincerely,

Richard L. Ellard
District Loan Specialist

cc: State Director, FmHA, Morgantown, WV

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: January 12, 1990

CASE NO. 89-323-S-CN

THE SANITARY BOARD OF HINTON,
a municipal corporation, Summers
County.
Application for a certificate of convenience
and necessity to construct wastewater treatment
facilities at Barksdale, Summers County.

FINAL ORDER

On May 25, 1989, The Sanitary Board of Hinton filed an application for a certificate of convenience and necessity to construct certain sewer treatment facilities which are needed to comply with final effluent limitations set for the Sanitary Board of Hinton in its state NPDES permit. In accordance with the consent decree issued by the Circuit Court of Summers County in Civil Action 87-C-63, the Sanitary Board is required to meet the following compliance schedule: (a) submit complete, constructible, biddable plans and specifications on or before September 1, 1988; (b) begin construction on or before September 1, 1989; (c) complete construction and initiate operation on or before December 1, 1990; and (d) achieve final effluent limitations on or before March 1, 1991.

As proposed, the Sanitary Board of Hinton will construct a 0.625 MGD activated sludge wastewater treatment plant, a main lift station and approximately 7,010 feet of 12-inch force main. As described in its application, this construction is needed to allow the Sanitary Board of Hinton to achieve secondary treatment standards for its effluent. Since the present plant serving the Sanitary Board of Hinton cannot be adequately expanded or upgraded to achieve secondary treatment, the Sanitary Board has found it necessary to construct a new wastewater treatment plant approximately 7,000 feet downstream from the Sanitary Board's present plant site.

The Sanitary Board estimated that the described project would cost $4,124,000, and it proposed to finance the construction with a $2,093,000 Environmental Protection Agency (EPA) grant, a $596,000 Appalachian Regional Commission (ARC) grant, a $667,000 Water Development Authority (WDA) loan, and a $668,000 Farmers Home Administration (FmHA) loan. After construction, the Sanitary Board of Hinton proposed to charge a flat rate of $4.00 per 1,000 gallons, with a minimum bill of $8.00 per month and a $150 tap fee.

By order entered on May 26, 1989, the Sanitary Board of Hinton was required to publish notice of its proposed project by publishing a copy of the Commission's order once, in a newspaper, duly qualified by the

Secretary of State, published and of general circulation in the City of Hinton. As stated in that notice, anyone desiring to make objection to the application was required to do so, in writing, within thirty days after publication of the notice.

On July 6, 1989, the Sanitary Board of Hinton submitted an affidavit of publication which verified that the required notice was published in the Hinton News, a newspaper published and of general circulation in Hinton, Summers County, on June 6, 1989. As of the date of this order, no protest has been filed in response to that notice.

By Joint Staff Memorandum filed on June 27, 1989, Staff maintained that the Sanitary Board of Hinton's application was incomplete due to the absence of a Rule 42 exhibit and lack of approved plans and specifications for the project. Therefore, Staff requested that the Administrative Law Judge require the Sanitary Board to submit the requested information on or before August 1, 1989. Staff also requested that the application be dismissed as incomplete, if the requested information is not received by that deadline.

By order entered on July 26, 1989, the Administrative Law Judge (ALJ) directed the Sanitary Board of Hinton to submit Staff's requested information on or before August 1, 1989, so that Commission Staff could proceed with its review of the application. By the provisions of that order, if any of the requested information could not be submitted by that date, the Sanitary Board was to submit the information which was available, and indicate when the balance of the information would be submitted. If the balance of the information could not be timely submitted, the Administrative Law Judge determined that the case would not be dismissed, however, the ALJ observed that any delay hindered the Commission's ability to complete its review of the project, which in turn would prevent the Sanitary Board of Hinton from meeting its compliance schedule.

On September 8, 1989, the City of Hinton submitted evidence that its proposed rates and charges were adopted by municipal ordinance, by a special session of the Hinton City Council on August 10, 1989. By the terms of the adopted ordinance, the City's rates and charges are to increase to $4.00 per 1,000 gallons of usage, with a minimum monthly charge of $8.00, effective September 1, 1991.

On August 4, 1989, the Sanitary Board of Hinton submitted a response to Staff's outstanding data request. In this response, Hinton indicated that the plans and specifications were under review by the construction branch of the Department of Natural Resources, the proposed rate ordinance was in the process of being adopted, interim financing information and other pertinent information. The Sanitary Board of the City of Hinton also indicated that the Rule 42 exhibit would be submitted on or before August 21, 1989. On August 21, 1989, the Commission received two copies of its Rule 42 exhibit supporting its certificate application and proposed rates.

On December 21, 1989, a Joint Staff Memorandum was filed by Caryn Watson Short, Staff Attorney. An Internal Memorandum from Woody Bare,

Financial Analyst, and Ingrid Ferrell, Staff Engineer, both of whom are with the Utilities Division, Water and Sewer Section, was attached to the Joint Staff Memorandum. For the reasons set forth in those memoranda, Staff recommended approval of the project as filed.

A copy of an approved NPDES water pollution control permit, designated as WV/NPDES Permit No. WV0024732, issued on August 2, 1989, was attached to the Joint Staff Memorandum. This NPDES Permit authorized Hinton to construct, install, operate and maintain a 0.625 MGD activated sludge wastewater treatment plant comprised of the existing grit removal system, mechanically cleaned bar screen, conversion to the existing chlorine contact chamber into an influent lift station with approximately 7,010 linear feet of 12-inch diameter force main, two (2) 40-feet by 80-feet by 14-feet sidewater depth aeration chambers, two (2) 40-feet in diameter heat clarifiers, ultraviolet disinfection facilities, a 30-feet in diameter sludge holding tank, a sludge dewatering belt press and all requisite appurtenances. Commission Staff accepted the issuance of the NPDES permit as evidence that the design of the plan has been done in accordance with current engineering practices.

Staff observed that the project had yet to be let out for bid. The financing section of the City's May 25, 1989, certificate filing verified the commitment of $2,093,240 in EPA grants, $696,000 in ARC grants and a $300,000 line of credit from the National Bank of Summers, to be used as interim financing during project construction. The City of Hinton had also received a letter of conditions from the Farmers Home Administration for the anticipated borrowing of $668,000, with $667,000 to be borrowed from a related WDA loan.

As long as the actual bids for the project do not exceed the construction estimate plus the 5% contingency, or $3,344,000, Staff stated that the project is adequately funded, and it is apparent that the City's increased rates and charges are sufficient to support the continued operation of the system after project construction. The Administrative Law Judge (ALJ) had been initially concerned with the rate ordinance's effective date of September 1, 1991. By further Staff Memorandum received on January 5, 1990, Staff indicated that the earliest the actual construction could begin would be May of 1990, and the existing project costs include payments of the new debt service over a 24-month period. Therefore, assuming that construction were to begin in May of 1990 and completed by May of 1991, the City of Hinton would have funds available from the project to make debt service payments until the new rates became effective in September of 1991. Further, conversations between Staff and representatives of the City of Hinton indicate that the City believes that this project will not be completed before September 1, 1991, despite the earlier date set forth in its compliance schedule.

Staff observed that the Hinton facilities plan submitted in support of this application reflected cost estimates and flow data for the City of Hinton in late 1986. Due to the time lapse between the submission of the facilities plan and the City's application for a certificate of convenience and necessity, the consumption data and project costs have changed over time. Based upon the updated information submitted by the Board, Commission Staff stated that it was unable to determine that the proposed

project is the most cost effective solution to achieve the required discharge and treatment standards. However, Staff agreed that the proposed project will meet the Board's needs, and the previously approved rates are more than adequate to support the proposed project.

Based upon Staff's review of the project, the ALJ concludes that the project is adequately supported by evidence of public need, and the project is properly designed and feasible from an engineering standpoint. Further, as long as the bids do not exceed the original estimates and the 5% contingency, the record reflects that the project is economically feasible and financially sound. However, if the bids come in over budget, neither the Staff nor the ALJ can offer an opinion about project feasibility, adequacy of rates or sufficiency of the project financing, without further information.

Therefore, the ALJ shall approve the project, as filed, with the described project costs and financing described in the application. If the project costs, as bid, exceed the Sanitary Board of Hinton's project cost estimates, including the 5% contingency, the City of Hinton will be required to receive supplemental approval of its modified project.

FINDINGS OF FACT

1. The Sanitary Board of Hinton proposes to construct a 0.625 MGD activated sludge wastewater treatment plant, a main lift station and approximately 7,010 feet of 12-inch force main, to allow the Sanitary Board to achieve secondary treatment standards for its effluent. (May 25, 1989 Filing and attachments).

2. The estimated project costs of $4,124,000, which include $3,344,000 in estimated construction costs and contingencies, are to be financed by a $2,093,000 EPA grant, a $596,000 ARC grant, a $667,000 WDA loan, and a $668,000 FmHA loan. (May 25, 1989 Filing and attachments).

3. In order to support the described project, on August 10, 1989, the Hinton City Council adopted a municipal ordinance implementing a water rate of $4.00 per 1,000 gallons of usage, with a minimum monthly charge of $8.00, effective September 1, 1991. (September 8, 1989 Hinton response and attachments).

4. The City of Hinton Sanitary Board obtained an approved NPDES water pollution control permit, WV/NPDES Permit No. WV0024732, for its proposed project and plans from the Department of natural Resources. (December 21, 1989 Joint Staff Memorandum and Attachments).

5. The project has yet to be let out for bid. If the actual bids substantially exceed the estimates, Staff can offer no opinion about the project feasibility, or adequacy of project financing or rates, without further information. (December 21, 1989 Joint Staff Memorandum).

6. As long as the actual bids for the project do not exceed the original construction estimate of $3,040,000, plus a 5% contingency for a total of $3,344,000, Staff stated that the project is adequately funded,

and its adopted rates are sufficient to support the continued operation o the system after construction. (December 21, 1989 Joint Staff Memorandum and further Staff Memorandum of January 5, 1989).

7. The Staff was unable to determine that the proposed project i the most cost effective solution to achieve the required discharge an treatment standards. However, Staff agreed that the proposed project wil meet the Board's treatment needs. (December 21, 1989 Joint Staff Memo randum and attachments).

8. By consent decree issued by the Circuit Court of Summers Count in Civil Action No. 87-C-63, the Sanitary Board of Hinton was required t achieve the final effluent limitations in its existing NPDES permit b March 1, 1991, the described project will enable these treatmen standards. (May 25, 1989 Application and attachments; December 21, 198 Joint Staff Memorandum and attachments).

9. The public has been provided notice of the proposed project i accordance with the provisions of West Virginia Code §24-2-11, and the Commission has received no protest in response to the published notices. (July 6, 1989 affidavit of publication).

CONCLUSIONS OF LAW

Upon consideration of the above, the Administrative Law Judge find it reasonable and appropriate to grant the requested certificate of public convenience and necessity, as filed, since the project is supported b evidence of public need, the described financing is adequate to support the described costs, the project is supported by adequate rates an charges, and no public protest was received in response to the District' duly published notices. However, if the actual bids exceed the estimate construction costs by more than the 5% contingency built into overall project costs, the Sanitary Board would need to seek and obtain supplemental approval of its modified project. In order to protect the interests of the affected customers, the Administrative Law Judge shall require the Sanitary Board of Hinton to submit copies of the actual bid tabulations for internal review.

ORDER

IT IS, THEREFORE, ORDERED that the Sanitary Board of Hinton is hereby granted a certificate of convenience and necessity to construct a 0.625 MGD activated sludge wastewater treatment plant, a main lift station and approximately 7,010 feet of 12-inch force main, as described in its application of May 25, 1989, at a cost not to exceed $4,124,000, with combined borrowings not to exceed the described $1,335,000.

IT IS FURTHER ORDERED that if the overall project costs increase as a result of actual bids, or the project financing or project scope is substantially modified from its original application after bid, the Sanitary Board of Hinton will be required to obtain supplemental approval of its modified project, by the terms of this Commission's approval.

IT IS FURTHER ORDERED that, within fifteen days of opening construction bids received on the project, the City of Hinton Sanitary Board shall submit copies of the actual bid tabulations for the project to Commission Staff for review.

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

This order is issued pursuant to General Order No. 212, dated December 16, 1982, which order designates the Division of Administrative Law Judges as the initial decision making body in the Public Service Commission and authorizes the Public Service Commission Administrative Law Judges to issue orders on behalf of the Commission in all proceedings filed pursuant to Chapter 24 of the West Virginia Code, which proceedings are not set for hearing and which orders shall have the full force and effect of Commission orders, without the provision for the filing of exceptions thereto.

Leave is hereby granted to the parties to file a petition for further hearing, reopening, or rehearing pursuant to Rule 19 of the Commission's Rules of Practice and Procedure with the Executive Secretary of the Commission within ten (10) days after the date this order is mailed.

Robert F. Williams

Robert F. Williams
Administrative Law Judge

RFW:mal

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA

MAY 16 1990

LEGAL DIVISION
RECEIVED

Entered: May 15, 1990

CASE NO. 89-323-S-CN

THE SANITARY BOARD OF HINTON,
a municipal corporation, Summers
County.
Application for a certificate of convenience
and necessity to construct wastewater treatment
facilities at Barksdale, Summers County.

FURTHER ORDER

By Final Order entered on January 12, 1990, the Sanitary Board of Hinton (Sanitary Board) was granted a certificate of convenience and necessity to construct a 0.625 MGD activated sludge wastewater treatment plant, a main lift station and approximately 7,010 feet of 12-inch force main, as described in its application of May 25, 1989, at a cost not to exceed $4,124,000, with combined borrowings not to exceed $1,335,000. That Order further required the Sanitary Board of Hinton to submit bid tabulations, when available, and if the overall project costs increased as a result of actual bids, or the project financing or project scope was substantially modified from its original application after bid, the Sanitary Board of Hinton would be required to obtain supplemental approval of its modified project, by the terms of the Commission Order.

On May 11, 1990, a Joint Staff Memorandum was filed by Caryn Watson Short. A copy of the bid tabulations for the project was attached to the Joint Staff Memorandum, as well as further correspondence from the Sanitary Board's Attorney.

As a party of that submission, the Sanitary Board observed that the bids received were favorable to the project, and within its estimated project costs, and the Sanitary Board was eager to proceed with construction. However, the Sanitary Board's bond counsel had requested that the Final Order be corrected or clarified on two points. First, the actual size of the Appalachian Regional Commission (ARC) grant to be applied toward the project was $696,000, instead of the $596,000 grant identified in the Final Order. Second, the Sanitary Board wished to make it clear that the City of Hinton would be the actual recipient of the described grant and loan monies for this project, and would administer those funds on behalf of the Sanitary Board of Hinton.

The Sanitary Board of Hinton's original certificate application incorrectly reflected an ARC grant of $596,000, instead of the $696,000 grant which had in fact been made available for the project. This was apparently a typographical error in the application, since the sum of the

GB

described funding was $100,000 less than the estimated total project costs in the application. This incorrect level of grant funding was restated in the Sanitary Board's public notices, the Staff recommendations, and the Final Order. Therefore, the Administrative Law Judge (ALJ) finds it reasonable and appropriate to issue a further order to note the correct level of funding, to dispel any confusion or unintended result. Since the understated level of anticipated grant funding had no rate impact, the defects in the published notices were de minimus, and this correction can be accomplished without further notice or publication.

The Sanitary Board's request for further clarification concerning the exact manner in which project funds are to be made available for the project through the City of Hinton shall be duly noted, but it is unnecessary to modify the January 12, 1990 Final Order to reflect this clarification. Since the commitment letters, loan applications and other financial documentation were attached to and made a part of the May 25, 1989 certificate application, and the May 25, 1989 application was incorporated by reference by the January 12, 1990 Final Order, no further clarification or amendment of the Commission's Final Order is necessary.

FINDING OF FACT

The Sanitary Board of Hinton's May 25, 1989 certificate application should have correctly reflected an ARC grant of $696,000, instead of $596,000. This increased level of grant funding should have correspondingly been reflected in the published notices of the project, the Joint Staff Memoranda, and the January 12, 1990 Final Order in this case.

CONCLUSION OF LAW

Since the described project costs and financing were properly stated in all other respects in the published notices, and the proposed correction has no rate impact, the Administrative Law Judge finds it reasonable and appropriate to correct this oversight by further order, without further notice or publication.

ORDER

IT IS, THEREFORE, ORDERED that the January 12, 1990 Final Order and the May 25, 1989 certificate application in this case are hereby modified to correctly reflect the inclusion of a $696,000 ARC grant within the described project funding.

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

Robert F. Williams

Robert F. Williams
Administrative Law Judge

RFW:dfs

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

CROSS-RECEIPT FOR SERIES 1990 A AND SERIES 1990 B BONDS AND BOND PROCEEDS

The undersigned, BARBARA B. MEADOWS, Secretary-Treasurer of West Virginia Water Development Authority, for and on behalf of West Virginia Water Development Authority (the "Authority"), and JAMES A. LESLIE, JR., Mayor of The City of Hinton (the "Issuer"), hereby certify as follows:

1. On the 14th day of June, 1990, the Authority received the entire original issue of $667,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1990 A and Series 1990 B, of the Issuer (collectively, the "Bonds"), issued as a single, fully registered Bond of each Series, numbered AR-1 and BR-1, respectively, both dated June 14, 1990, the Series 1990 A Bond being in the principal amount of $637,262 and the Series 1990 B Bond being in the principal amount of $29,738.

2. At the time of such receipt of the Series 1990 A Bonds and the Series 1990 B Bonds upon original issuance, all of the Series 1990 A Bonds and the Series 1990 B Bonds had been executed by James A. Leslie, Jr., as Mayor of the Issuer, by his manual signature, and by Cynthia S. Cooper, as Recorder of the Issuer, by her manual signature, 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 1990 A Bonds and the Series 1990 B Bonds, of the proceeds of the Series 1990 A Bonds in the aggregate principal amount of $637,262 and proceeds of the Series 1990 B Bonds in the aggregate principal amount of $29,738 (100% of par value), there being no interest accrued on either series.

IN WITNESS WHEREOF, Barbara B. Meadows duly signed and delivered this receipt on behalf of WEST VIRGINIA WATER DEVELOPMENT AUTHORITY and THE CITY OF HINTON has caused this receipt to be duly executed and delivered by its Mayor, as of this 14th day of June, 1990.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By Barbara B Meadows
Secretary-Treasurer

THE CITY OF HINTON

By James A. Leslie Jr.
Mayor

06/11/90
HINTOND.E2
41455/89001

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

DIRECTION TO AUTHENTICATE AND DELIVER SERIES 1990 A BONDS AND SERIES 1990 B BONDS

One Valley Bank, National Association, as
Bond Registrar for the Series 1990 A and
Series 1990 B Bonds
Charleston,
West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of The City of Hinton Sewer Revenue Bonds, Series 1990 A, in the principal amount of $637,262 and Bond No. BR-1, constituting the entire original issue of The City of Hinton Sewer Revenue Bonds, Series 1990 B, in the principal amount of $29,738, both dated June 14, 1990 (collectively, the "Bonds"), executed by the Mayor and 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 and Supplemental Resolution duly enacted and adopted by the Issuer (collectively, the "Local Act");

(2) A copy of the Local Act authorizing the above Bond issue, duly certified by the Recorder of the Issuer;

(3) Executed counterparts of the loan agreement and the supplemental loan agreement, both dated June 14, 1990, by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (collectively, the "Loan Agreement"); and

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

You are hereby requested and authorized to deliver the Series 1990 A Bonds and Series 1990 B Bonds to the Authority upon payment to the account of the Issuer of the sum of $667,000, representing the agreed aggregate purchase price of the Series 1990 A

Bonds and Series 1990 B Bonds, there being no accrued interest thereon. Prior to such delivery of the Series 1990 A Bonds and Series 1990 B Bonds, you will please cause the Series 1990 A Bonds and Series 1990 B Bonds to be authenticated by an authorized officer, as Bond Registrar for the Series 1990 A Bonds and Series 1990 B Bonds, in accordance with the forms of Certificate of Authentication and Registration thereon.

Dated this 14th day of June, 1990.

THE CITY OF HINTON

By James A. Leslie Jr.
Its Mayor

06/11/90
HINTOND.F2
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, NJ 07016

ED 11-1C

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

RECEIPT FOR SERIES 1990 C BONDS AND TRANSCRIPT

The undersigned, for Farmers Home Administration of the United States Department of Agriculture (the "Purchaser"), hereby certifies as follows:

1. On the 14th day of June, 1990, at Hinton, West Virginia, the undersigned received for the Purchaser the single, fully registered The City of Hinton Sewer Revenue Bond, Series 1990 C, No. CR-1 (the "Series 1990 C Bond"), in the principal amount of $668,000, dated the date hereof, bearing interest at the rate of 5% per annum, payable in monthly installments as stated in the Series 1990 C Bond, being the only bond upon original issuance of a series of bonds designated as The City of Hinton Sewer Revenue Bonds, Series 1990 C. The Series 1990 C Bond is being issued concurrently with the City's $637,262 Sewer Revenue Bonds, Series 1990 A, and its $29,738 Sewer Revenue Bonds, Series 1990 B, which Bonds are sold on this date to the West Virginia Water Development Authority.

2. At the time of such receipt, the Series 1990 C Bond had been executed and sealed by the designated officials of the City.

3. At the time of such receipt, there was paid to said City the sum of $76,203, being a portion of the principal amount of the Series 1990 C Bond. The balance of the principal amount of the Series 1990 C Bond will be advanced to the City as acquisition and construction of the Project progresses.

4. At the time of such receipt, there was also received by the undersigned a set of Bond Transcript documents.

WITNESS my signature on this 14th day of June, 1990.

Assistant Richard L. Ellard
District Director of Farmers Home Administration

06/11/90
HINTOND.G2
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NE NSEY 07016

ED 11-1C

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 1990 A

No. AR-1

$637,262

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 SIX HUNDRED THIRTY-SEVEN THOUSAND TWO HUNDRED SIXTY-TWO DOLLARS ($637,262), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest 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 October 1, 1990. 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 June 14, 1990.

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; 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 June 12, 1990, and a Supplemental Resolution duly adopted by the Issuer on June 12, 1990 (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 $29,738, 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 1, 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 $668,000 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 June 14, 1990.

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

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

City of Hinton
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 14-Jun-90

Date	Coupon	Principal	Interest	Debt Service 7.85% Bonds
01-Oct-90			14,868.56	14,868.56
01-Oct-91	7.85%	2,770.00	50,025.07	52,795.07
01-Oct-92	7.85%	2,988.00	49,807.62	52,795.62
01-Oct-93	7.85%	3,223.00	49,573.06	52,796.06
01-Oct-94	7.85%	3,476.00	49,320.06	52,796.06
01-Oct-95	7.85%	3,749.00	49,047.19	52,796.19
01-Oct-96	7.85%	4,043.00	48,752.90	52,795.90
01-Oct-97	7.85%	4,360.00	48,435.52	52,795.52
01-Oct-98	7.85%	4,703.00	48,093.26	52,796.26
01-Oct-99	7.85%	5,072.00	47,724.08	52,796.08
01-Oct-2000	7.85%	5,470.00	47,325.92	52,795.92
01-Oct-2001	7.85%	5,899.00	46,896.53	52,795.53
01-Oct-2002	7.85%	6,363.00	46,433.46	52,796.46
01-Oct-2003	7.85%	6,862.00	45,933.96	52,795.96
01-Oct-2004	7.85%	7,401.00	45,395.29	52,796.29
01-Oct-2005	7.85%	7,982.00	44,814.32	52,796.32
01-Oct-2006	7.85%	8,608.00	44,187.73	52,795.73
01-Oct-2007	7.85%	9,284.00	43,512.00	52,796.00
01-Oct-2008	7.85%	10,013.00	42,783.21	52,796.21
01-Oct-2009	7.85%	10,799.00	41,997.19	52,796.19
01-Oct-2010	7.85%	11,647.00	41,149.46	52,796.46
01-Oct-2011	7.85%	12,561.00	40,235.18	52,796.18
01-Oct-2012	7.85%	13,547.00	39,249.14	52,796.14
01-Oct-2013	7.85%	14,610.00	38,185.70	52,795.70
01-Oct-2014	7.85%	15,757.00	37,038.81	52,795.81
01-Oct-2015	7.85%	16,994.00	35,801.89	52,795.89
01-Oct-2016	7.85%	18,328.00	34,467.86	52,795.86
01-Oct-2017	7.85%	19,767.00	33,029.11	52,796.11
01-Oct-2018	7.85%	21,319.00	31,477.40	52,796.40
01-Oct-2019	7.85%	22,992.00	29,803.86	52,795.86
01-Oct-2020	7.85%	24,797.00	27,998.99	52,795.99
01-Oct-2021	7.85%	26,744.00	26,052.42	52,796.42
01-Oct-2022	7.85%	28,843.00	23,953.02	52,796.02
01-Oct-2023	7.85%	31,107.00	21,688.84	52,795.84
01-Oct-2024	7.85%	33,549.00	19,246.94	52,795.94
01-Oct-2025	7.85%	36,183.00	16,613.35	52,796.35
01-Oct-2026	7.85%	39,023.00	13,772.98	52,795.98
01-Oct-2027	7.85%	42,086.00	10,709.68	52,795.68
01-Oct-2028	7.85%	45,390.00	7,405.93	52,795.93
01-Oct-2029	7.85%	48,953.00	3,842.81	52,795.81
		637,262.00	1,436,650.30	2,073,912.30

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:

_____

06/13/90
HINTONJ.GG2
41455/89001

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NEW 10016

ED 11-1C

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 1990 B

No. BR-1

$29,738

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 TWENTY-NINE THOUSAND SEVEN HUNDRED THIRTY-EIGHT DOLLARS ($29,738), in annual installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, 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 June 14, 1990.

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"); and (ii) 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 June 12, 1990, and a Supplemental Resolution duly adopted by the Issuer on June 12, 1990 (collectively called the "Bond Legislation"), and is subject to all

11

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 of this Series (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 $637,262 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 $668,000 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 June 14, 1990.

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

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

City of Hinton
Debt Service Schedule
Analysis of Borrowing from Series 1989 B Pool
39 Principal Payments
Closing Date: 14-Jun-90

Date	Interest Free Loan
01-Oct-90	
01-Oct-91	762.62
01-Oct-92	762.51
01-Oct-93	762.51
01-Oct-94	762.51
01-Oct-95	762.51
01-Oct-96	762.51
01-Oct-97	762.51
01-Oct-98	762.51
01-Oct-99	762.51
01-Oct-2000	762.51
01-Oct-2001	762.51
01-Oct-2002	762.51
01-Oct-2003	762.51
01-Oct-2004	762.51
01-Oct-2005	762.51
01-Oct-2006	762.51
01-Oct-2007	762.51
01-Oct-2008	762.51
01-Oct-2009	762.51
01-Oct-2010	762.51
01-Oct-2011	762.51
01-Oct-2012	762.51
01-Oct-2013	762.51
01-Oct-2014	762.51
01-Oct-2015	762.51
01-Oct-2016	762.51
01-Oct-2017	762.51
01-Oct-2018	762.51
01-Oct-2019	762.51
01-Oct-2020	762.51
01-Oct-2021	762.51
01-Oct-2022	762.51
01-Oct-2023	762.51
01-Oct-2024	762.51
01-Oct-2025	762.51
01-Oct-2026	762.51
01-Oct-2027	762.51
01-Oct-2028	762.51
01-Oct-2029	762.51
	29,738.00

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto

the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

06/13/90
HINTONJ.HH2
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD, NEW 07016

ED 11-10

(SPECIMEN BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE CITY OF HINTON
SEWER REVENUE BOND, SERIES 1990 C

No. CR-1

$668,000

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 SIX HUNDRED SIXTY-EIGHT THOUSAND DOLLARS ($668,000), plus interest on the unpaid principal balance at the rate of 5% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof, and $3,280, 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 June 14, 1990.

THE CITY OF HINTON

[CORPORATE SEAL]

_____
Mayor

Post Office Box 866
Hinton, West Virginia 25951

ATTEST:

_____
Recorder

RECORD OF ADVANCES

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

TOTAL $_____

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:

_____

08/01/90
HINTONJ.II2
41455/89001

ALL STATE LEGAL SURVEY CO. ONE COMMERCE DRIVE CRANFORD [illegible]

ED 11-10

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. YEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
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LUCIEN G. LEWIN
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MICHAEL L. BRAY
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CHRISTOPHER P. BASTIEN
GORDON H. COPLAND
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715 CHARLESTON NATIONAL PLAZA
P. O. BOX 1588
CHARLESTON, W. VA. 25326
(304) 353-8000
TELECOPIER (304) 353-8180

126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
(304) 263-6991
TELECOPIER (304) 263-4785

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

104 WEST CONGRESS STREET
P. O. BOX 100
CHARLES TOWN, W. VA. 25414
(304) 725-1414
TELECOPIER (304) 725-1913

RICHARD M. YURKO, JR.
GARY W. NICKERSON
CURTIS G. POWER III
STEPHEN R. KERSHNER
W. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVONI
JOHN K. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETTI
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. COKELEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
MATTHEW J. MULLANEY
BRENT O. BURTON
PAUL R. CRANSTON
JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE
MARK A. ATKINSON
CAROLYN A. WADE
CAROLINE A. HENRICH
SHERRI L. MAZZA
SUSAN C. OSENTON

OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

June 14, 1990

The City of Hinton
Sewer Revenue Bonds, Series 1990 A

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

Ladies and Gentlemen:

We have acted 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 $637,262 Sewer Revenue Bonds, Series 1990 A, dated the date hereof (the "Local Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated June 14, 1990, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") and the Local Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are originally issued in the form of one bond, registered as to principal and interest to the Authority, with interest payable April 1 and October 1 of each year, commencing October 1, 1990, at the rate of 7.85% per annum, and with principal installments payable on October 1 in each of the years 1991 through 2029, inclusive, all as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local 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 of the Code of West Virginia, 1931, as amended (the "Local Statute"), for the purposes of (i) financing a portion of the costs of acquisition and construction of additions, betterments and improvements for the existing sewerage facilities of the Issuer (the "Project"); (ii) paying interest on the Local Bonds during the construction of the Project and for not more than 6 months thereafter; and (iii) and paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, the bond and notes ordinance duly enacted by the Issuer on June 12, 1990, as supplemented by a supplemental resolution adopted June 12, 1990 (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement that has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

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

4. The Local Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Local Act and secured by a lien on and pledge of the Net Revenues of said System, junior and subordinate with respect to the liens and pledges of and sources of and security for payment, and in all other respects, to the Issuer's Sewage Revenue Bonds, dated October 1, 1960, issued in the original aggregate principal amount of $720,000 (the "Prior Bonds"), and

on a parity with respect to the liens and pledges of 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 $668,000, all in accordance with the terms of the Local Bonds and the Local Act.

5. The interest on the Local Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years beginning after December 31, 1989). The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Local Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Local Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Local Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Local Bonds.

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

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

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

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

06/13/90
HINTONB.H4 41455/89001

ALL STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD RIGHT 9/2016 ED 11-1C

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

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RALPH BOHANNON
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WRITER'S DIRECT DIAL NUMBER

June 14, 1990

The City of Hinton
<u>Sewer Revenue Bonds, Series 1990 B</u>

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

Ladies and Gentlemen:

We have acted 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 $29,738 Sewer Revenue Bonds, Series 1990 B, dated the date hereof (the "Supplemental Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a supplemental loan agreement, dated June 14, 1990, including all schedules and exhibits attached thereto (the "Supplemental Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority") and the Supplemental Bonds, which are to be purchased by the Authority in accordance with the provisions of the Supplemental Loan Agreement. The Supplemental Bonds are originally issued in the form of one bond registered as to principal to the Authority, without interest thereon, with principal payable in installments on October 1 in each of the years 1991 through 2029, inclusive, all as set forth in "Schedule X," attached to the Supplemental Loan Agreement and incorporated in and made a part of the Supplemental Bonds.

The Supplemental Loan Agreement is supplemental to a loan agreement also dated June 14, 1990, between the Issuer and the Authority (the "Loan Agreement"). The Supplemental Bonds are junior, subordinate and inferior as to liens, pledges and sources of and security for payment to (i) the Issuer's Sewage Revenue Bonds, dated October 1, 1960, issued in the original aggregate principal amount of $720,000 (the "Prior Bonds"), (ii) the "Sewer Revenue Bonds, Series 1990 A" (the "Local Bonds"), issued simultaneously herewith in the aggregate principal amount of $637,262, and (iii) the "Sewer Revenue Bonds, Series 1990 C" (the "Series 1990 C Bonds"), issued simultaneously herewith in the aggregate principal amount of $668,000.

The Supplemental 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 of the Code of West Virginia, 1931, as amended (the "Local Statute"), for the purposes of (i) financing 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"); and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, the bond and notes ordinance duly enacted by the Issuer on June 12, 1990, as supplemented by a supplemental resolution adopted June 12, 1990 (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Supplemental Bonds are authorized and issued, and the Supplemental Loan Agreement that has been undertaken. The Supplemental 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 Supplemental Loan Agreement.

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

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

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

3. The Local Act and all other necessary ordinances and resolutions have been duly and effectively enacted and adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable upon the Issuer. The

Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Supplemental Loan Agreement.

4. The Supplemental Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System referred to in the Local Act and secured by a lien on and pledge of the Net Revenues of said System, junior and subordinate only to the Prior Bonds, the Local Bonds and the Series 1990 C Bonds, all in accordance with the terms of the Supplemental Bonds and the Local Act.

5. The Issuer has reserved the right to issue additional bonds ranking on a parity with the Supplemental Bonds, as provided in the Local Act.

6. The Supplemental Bonds are, under the Local Statute, exempt from direct taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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

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

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

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RALPH BOHANNON
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WRITER'S DIRECT DIAL NUMBER

June 14, 1990

The City of Hinton
Sewer Revenue Bonds, Series 1990 A

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

Ladies and Gentlemen:

We have examined a transcript of proceedings relating to the issuance of $637,262 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A (the "Local Bonds"), of The City of Hinton (the "Issuer"), and a Certificate as to Arbitrage executed by the Mayor of the Issuer on this date.

Based upon such Certificate as to Arbitrage, we are of the opinion that the facts, estimates and circumstances set forth in the Certificate as to Arbitrage are sufficient to satisfy the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), to support the conclusion that the Local Bonds are not "arbitrage bonds" as therein defined. While we have undertaken no independent verification or investigation of the certifications, statements, expectations or representations set forth in such Certificate as to Arbitrage, no matters have come to our attention which make unreasonable or incorrect such certifications, statements, expectations or representations.

Accordingly, it is our opinion that, under existing statutes, regulations, rulings and court decisions, the Local Bonds are not "arbitrage bonds" as so defined. Assuming the West Virginia Water Development Authority (the "Authority") exclusively lends bond proceeds in a manner that does not result in its bonds being private activity bonds, as defined in the Code, and the use of the proceeds by each borrower from the Authority would not result in those proceeds being private activity bonds (if viewed as a separate issue), it is our further opinion, based upon such Certificate as to Arbitrage and under existing statutes, regulations, rulings and court decisions, that proceeds of the Local Bonds are not subject to the arbitrage rebate requirements set forth in Section 148(f) of the Code.

The opinions set forth above are subject to the condition that the Issuer comply with all requirements of the Code relating to arbitrage that must be satisfied subsequent to the issuance of the Local Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with such requirements may cause the inclusion of interest on the Local Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Local Bonds.

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

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WRITER'S DIRECT DIAL NUMBER

June 14, 1990

The City of Hinton
<u>$668,000 Sewer Revenue Bonds, Series 1990 C</u>

The City of Hinton
Hinton,
West Virginia

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The City of Hinton, Summers County, West Virginia (the "Issuer"), of its $668,000 Sewer Revenue Bonds, Series 1990 C, dated the date hereof (the "Series 1990 C Bonds"), pursuant to Chapter 16, Article 13 of the Official West Virginia Code of 1931, as amended (the "Local Statute"), and a bond and notes ordinance of the Issuer duly enacted June 12, 1990, as supplemented by a supplemental resolution of the Issuer duly adopted June 12, 1990 (collectively, the "Local Act"). We have examined the law and such certified copies of proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Local Act and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia, with full

power and authority to adopt and enact the Local Act, perform the agreements on its part contained therein and issue and sell the Series 1990 C Bonds, all under the Local Statute and other applicable provisions of law.

2. The Local Act has been duly and effectively adopted and enacted by the Issuer and, when payment in full for the Series 1990 C Bonds has been received, and assuming the status of all material conditions which affect or might affect such Bond issue remains unchanged, will constitute a valid and binding obligation of the Issuer enforceable upon the Issuer.

3. Pursuant to the Local Statute, the Local Act, when payment in full for the Series 1990 C Bonds has been received, and assuming the status of all material conditions which affect or might affect such Bond issue remains unchanged, will create a valid lien on the funds pledged by the Local Act for the security of the Series 1990 C Bonds on a parity with the Issuer's Sewer Revenue Bonds, Series 1990 A, issued concurrently herewith in the aggregate principal amount of $637,262, and other bonds (if any) issued or to be issued under the Local Act, subject to the senior and prior liens and pledges in favor of the holders of, and in all respects to, the Issuer's Sewage Revenue Bonds, dated October 1, 1960, issued in the original aggregate principal amount of $720,000, as described in the Local Act, but subject to no other prior lien granted under the Local Statute.

4. The Series 1990 C Bonds have been duly authorized, executed and delivered, and when payment in full has been received, and assuming the status of all material conditions which affect or might affect such Bond issue remains unchanged, will constitute valid and binding special obligations of the Issuer, payable solely from the sources provided therefor in the Local Act.

5. The interest on the Series 1990 C Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years beginning after December 31, 1989). The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 1990 C Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 1990 C Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 1990 C Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series 1990 C Bonds.

6. The Series 1990 C Bonds are, under the Local Statute, exempt from direct taxation by the State of West Virginia or any county, municipality,

political subdivision or agency thereof, and interest on the Series 1990 C Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

7. Assuming that the status of all material conditions which affect or might affect such Bond issue remains unchanged, upon such payment of the full purchase price of the Series 1990 C Bonds at a later date, Bond Transcript documents substantially or exactly in the form of those delivered herewith will be delivered, fully executed and dated on or after the date of full payment for the Series 1990 C Bonds.

It is to be understood that the rights of the holders of the Series 1990 C Bonds and the enforceability of the Series 1990 C Bonds, the Local Act and the liens and pledges set forth therein may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

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OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

June 14, 1990

The City of Hinton
<u>$668,000 Sewer Revenue Bonds, Series 1990 C</u>

The City of Hinton
Hinton,
West Virginia

Ladies and Gentlemen:

Please refer to our preliminary approving legal opinion of even date herewith, as to the above-captioned Bond issue, which opinion is delivered herewith.

It is our opinion that, under existing statutes, regulations, rulings and court decisions, and subject to the qualifications set forth in our preliminary approving legal opinion hereinabove described, and based upon the Certificate as to Arbitrage executed by the Mayor of The City of Hinton (the "Issuer"), of even date herewith, stating facts, estimates and circumstances with reference to arbitrage, the above-captioned Bonds (the "Series 1990 C Bonds") are not "arbitrage bonds" under the provisions of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). While we have undertaken no independent investigation or verification of the certifications, statements, expectations or representations set forth in said Certificate as to Arbitrage, no matters have come to our attention which make unreasonable or incorrect such certifications, statements, expectations or representations.

It is our further opinion, based upon such Certificate as to Arbitrage and under existing statutes, regulations, rulings and court decisions, that

proceeds of the Series 1990 C Bonds are not subject to the arbitrage rebate requirements set forth in Section 148(f) of the Code.

The opinions set forth above are further subject to the condition that the Issuer comply with all requirements of the Code relating to arbitrage that must be satisfied subsequent to the issuance of the Series 1990 C Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with such requirements may cause the inclusion of interest on the Series 1990 C Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 1990 C Bonds.

Very truly yours,

Steptoe & Johnson

STEPTOE & JOHNSON

06/12/90
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ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD N.J. 07016

ED 11-10

(LETTERHEAD OF STEPTOE & JOHNSON)
(Form of Final Approving Opinion)

_____, 19_____
[To be dated the date of final closing]

The City of Hinton
$668,000 Sewer Revenue Bonds, Series 1990 C

The City of Hinton
Hinton,
West Virginia

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by The City of Hinton, Summers County, West Virginia (the "Issuer"), of its $668,000 Sewer Revenue Bonds, Series 1990 C, dated the date of delivery (the "Series 1990 C Bonds), pursuant to Chapter 16, Article 13 of the Official West Virginia Code of 1931, as amended (the "Local Statute"), a bond and notes ordinance of the Issuer duly enacted _____, 19_____, and a supplemental resolution of the Issuer duly adopted _____, 19_____ (collectively, the "Local Act"). We have examined the law and such certified copies of proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the representations of the Issuer contained in the Local Act and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to enact the Local Act, perform the agreements on its part contained therein and issue and sell the Series 1990 C Bonds, all under the Local Statute and other applicable provisions of law.

2. The Local Act has been duly and effectively enacted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.

3. Pursuant to the Local Statute, the Local Act creates a valid lien on the funds pledged by the Local Act for the security of the Series 1990 C Bonds on a parity with the Issuer's Sewage Revenue Bonds, Series 1990 A, issued concurrently herewith in the aggregate principal amount of $637,262, and other bonds (if any) issued or to be issued under the Local Act, subject to the senior and prior liens and pledges in favor of the holders of, and in all respects to, the Issuer's Sewage Revenue Bonds, dated October 1, 1960, issued in the original aggregate principal amount of $720,000, as described in the Local Act, but subject to no other prior lien granted under the Local Statute.

4. The Series 1990 C Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from the sources provided therefor in the Local Act.

5. The interest on the Series 1990 C Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted net book income (adjusted current earnings for taxable years beginning after December 31, 1989). The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 1990 C Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 1990 C Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 1990 C Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Series 1990 C Bonds.

6. The Series 1990 C Bonds are, under the Local Statute, exempt from direct taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof, and interest on the Series 1990 C Bonds

is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

It is to be understood that the rights of the holders of the Series 1990 C Bonds and the enforceability of the Series 1990 C Bonds, the Local Act and the liens and pledges set forth therein may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

STEPTOE & JOHNSON

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41455/89001

(LETTERHEAD OF STEPTOE & JOHNSON)
(Form of Final No Arbitrage Opinion)

_____, 19_____
[To be dated the date of final closing]

The City of Hinton
$668,000 Sewer Revenue Bonds, Series 1990 C

The City of Hinton
Hinton,
West Virginia

Ladies and Gentlemen:

Please refer to our final approving legal opinion of even date herewith, as to the above-captioned Bond issue, which opinion is delivered herewith.

It is our opinion that, under existing statutes, regulations, rulings and court decisions, and based upon the certificates executed by the Mayor of The City of Hinton (the "Issuer"), of prior date and of even date herewith, stating facts, estimates and circumstances with reference to arbitrage, the above-captioned Bonds (the "Series 1990 C Bonds") are not "arbitrage bonds" under the provisions of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). While we have undertaken no independent investigation or verification of the certifications, statements, expectations or representations set forth in said certificates, no matters have come to our attention which make unreasonable or incorrect such certifications, statements, expectations or representations.

It is our further opinion, based upon such certificates and under existing statutes, regulations, rulings and court decisions, that proceeds of the Series 1990 C Bonds are not subject to the arbitrage rebate requirements set forth in Section 148(f) of the Code.

The opinions set forth above are subject to the condition that the Issuer comply with all requirements of the Code relating to arbitrage that must be satisfied subsequent to the issuance of the Series 1990 C Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with such requirements may cause the inclusion of interest on the Series 1990 C Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 1990 C Bonds.

Yours very truly,

STEPTOE & JOHNSON

06/12/90
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41455/89001

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD, ASCY 3201 ED 11-1C

ZIEGLER & GUNNOE
ATTORNEYS AT LAW
110 JAMES STREET
HINTON, WEST VIRGINIA 25951

DAVID L. ZIEGLER
RICHARD M. GUNNOE

TELEPHONE (304) 466-1224
TELEFAX (304) 466-4294

June 14, 1990

The City of Hinton
Sewer Revenue Bonds
Series 1990 A and Series 1990 B

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

Steptoe & Johnson
Post Office Box 2190
Clarksburg, West Virginia 26301

Ladies and Gentlemen:

We are counsel to The City of Hinton, in Summers County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinions of Steptoe & Johnson, as bond counsel, a loan agreement and supplemental loan agreement, both dated June 14, 1990, by and between the West Virginia Water Development Authority (the "Authority") and the Issuer (collectively, the "Loan Agreement"), the Local Act (as defined therein) and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). Terms used in said opinions, Local Act and Loan Agreement and not otherwise defined herein have the same meanings as therein when used herein.

We are of the opinion that:

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

2. The Issuer and the Sanitary Board of the Issuer have been duly created and the Mayor, Recorder and members of the council and the Sanitary Board of the Issuer have been duly and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act on behalf of the Issuer.

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

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

5. The Issuer has received all permits, licenses, approvals and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges, including, without limitation, the receipt of all requisite orders and approvals from the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal. The time for appeal of the Final Order of the Public Service Commission of West Virginia entered January 12, 1990 (Case No. 89-323-S-CN), granting to the Issuer a Certificate of Convenience and Necessity with respect to the Project has expired prior to the date hereof without any appeal.

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

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

Very truly yours,

ZIEGLER & GUNNOE

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016 ED 11-10

ZIEGLER & GUNNOE
ATTORNEYS AT LAW
110 JAMES STREET
HINTON, WEST VIRGINIA 25951

DAVID L. ZIEGLER
RICHARD M. GUNNOE

TELEPHONE (304) 466-1224
TELEFAX (304) 466-4294

June 14, 1990

The City of Hinton
$668,000 Sewer Revenue Bonds, Series 1990 C

The City of Hinton
Hinton, West Virginia 25951

Steptoe & Johnson
Post Office Box 2190
Clarksburg, West Virginia 26302

Ladies and Gentlemen:

We are counsel to The City of Hinton, a municipal corporation in Summers County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the preliminary approving opinion of Steptoe & Johnson, as bond counsel, the Local Act (as defined therein), other documents and papers relating to the Issuer and the above-captioned Bonds of the Issuer (the "Bonds"). Terms used in said opinions and the Local Act and not otherwise defined herein shall have the same meanings as therein when used herein.

We are of the opinion that:

1. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia. The Sanitary Board of the Issuer is duly created and validly existing as a sanitary board pursuant to the Local Statute.

2. The Mayor, Recorder and members of the council and the Sanitary Board of the Issuer have been duly, lawfully and property elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

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

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

5. All permits, licenses, approvals, consents, certificates, orders, exemptions and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges have been entered and/or received, including, without limitation, all requisite orders, certificates, consents and approvals from the Public Service Commission of West Virginia, and the Issuer has duly taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges, the time for appeal of which has expired prior to the date hereof without appeal.

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

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

Very truly yours,

ZIEGLER & GUNNOE

(LETTERHEAD OF ZIEGLER AND GUNNOE, COUNSEL TO ISSUER)

(Form of Final Opinion of Counsel to Issuer)

_____, 19_____
[To be dated the date of final closing]

The City of Hinton
$668,000 Sewer Revenue Bonds, Series 1990 C

The City of Hinton
Hinton,
West Virginia

Steptoe & Johnson
Post Office Box 2190
Clarksburg, West Virginia 26302

Ladies and Gentlemen:

We are counsel to The City of Hinton, a municipal corporation, in Summers County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the final approving opinion of Steptoe & Johnson, as bond counsel, the Local Act (as defined therein), other documents and papers relating to the Issuer and the above-captioned Bonds of the Issuer (the "Bonds"). Terms used in said opinions and the Local Act and not otherwise defined herein shall have the same meanings as therein when used herein.

We are of the opinion that:

1. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia. The Sanitary Board of the Issuer is duly created and validly existing as a sanitary board pursuant to the Local Statute.

2. The Mayor, Recorder and members of the council and the Sanitary Board of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

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

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

5. All permits, licenses, approvals, consents, certificates, orders, exemptions and authorizations necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges have been entered and/or received, including, without limitation, all requisite orders, certificates, consents and approvals from the Public Service Commission of West Virginia, and the Issuer has duly taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of an ordinance prescribing such rates and charges, the time for appeal of which has expired prior to the date hereof without appeal.

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

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

Very truly yours,

ZIEGLER AND GUNNOE

06/12/90
HINTONB.Q3
41455/89001

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD N.J. 07016

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

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, ETC.
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. GRANTS
11. LOAN AGREEMENT
12. RATES
13. SIGNATURES AND DELIVERY
14. BOND PROCEEDS
15. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
16. PUBLIC SERVICE COMMISSION ORDER
17. PRIVATE USE OF FACILITIES
18. NO FEDERAL GUARANTY
19. IRS INFORMATION RETURN
20. SPECIMEN BONDS

We, the undersigned MAYOR and RECORDER of The City of Hinton, in Summers County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the $667,000 aggregate principal amount of The City of Hinton Sewer Revenue Bonds, Series 1990 A and Series 1990 B (collectively, the "Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as in the Bond Ordinance of the Issuer enacted June 12, 1990, and a Supplemental Resolution adopted June 12, 1990 (collectively, the "Local Act").

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 construction of the Project, the operation of the System, the receipt of the Grant Receipts or the Net Revenues, or in any way contesting or affecting the validity of the Bonds or the Grants or any proceedings of the Issuer taken with respect to the issuance or sale

of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the construction of the Project, the operation of the System, the receipt of the Grant Receipts or such pledge or application of moneys and security or the collection of the Net Revenues or pledge thereof.

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

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

The Issuer has an outstanding obligation which will rank senior and prior to the Bonds as to liens, pledges, 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, and held by the public. Moneys have been deposited with the Commission in escrow which are, together with investment earnings thereon, sufficient to pay, when due, the principal of and interest on the Prior Bonds.

The Issuer's Sewer Revenue Bonds, Series 1990 C, issued concurrently herewith in the aggregate principal amount of $668,000, are issued on a parity with respect to liens, pledges, sources of and security for payment with the Issuer's Sewer Revenue Bonds, Series 1990 A, and senior and prior with respect to liens, pledges, sources of and security for payment with the Issuer's Sewer Revenue Bonds, Series 1990 B, and sold to the United States Department of Agriculture, Farmers Home Administration. There are no other outstanding debt obligations of the Issuer, which are secured by revenues or assets of the System.

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:

Charter of The City of Hinton.

Certified Copies of Oaths of Office of Councilmembers.

Ordinance Creating Sanitary Board.

Petition of Sanitary Board.

Bond and Notes Ordinance.

Supplemental Resolution.

1960 Bonds Ordinance.

Rate Ordinance.

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

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

Minutes on Enactment of Bond Ordinance and Adoption of Supplemental Resolution.

Minutes on Enactment of Rate Ordinance.

Loan Agreement.

EPA Grant Agreement, with Part B Amendment.

ARC Grant Commitment.

Public Service Commission Final Order entered January 12, 1990, and Further Order entered May 15, 1990.

6. INCUMBENCY AND OFFICIAL NAME, ETC.: The proper name of the Issuer is "The City of Hinton." The Issuer is a municipal corporation in Summers County and 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, qualified and acting, 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
James A. Leslie, Jr.	- Mayor	July 1, 1989	June 30, 1991
Ed Hannah	- Councilmember	July 1, 1989	June 30, 1991
Larry K. Meador	- Councilmember	July 1, 1989	June 30, 1991
H. G. Keffer	- Councilmember	July 1, 1989	June 30, 1991
Coleman Leslie	- Councilmember	July 1, 1989	June 30, 1991

The duly appointed, qualified and acting Recorder of the Issuer is Cynthia S. Cooper.

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

James A. Leslie, Jr.	-	Chairman
Don R. Dewitt	-	Member
R. Lynn Long, P.E.	-	Member

The duly appointed and acting counsel to the Issuer is David L. Ziegler, of Ziegler and Gunnoe, Hinton, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the construction of the Project and 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 construction, acquisition, operation and financing of the Project or the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including Chapter 6, Article 9A, of the Official West Virginia Code of 1931, as

amended, and a quorum of duly elected, 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 Local Act. All insurance for the System required by the Bond Ordinance is in full force and effect. The System is not presently covered by policies of flood or business interruption insurance, but will be if such coverages are available at reasonable cost.

10. GRANTS: As of the date hereof, the grant from the United States Environmental Protection Agency in the amount of $1,994,300, and the grant from the Appalachian Regional Commission in the amount of $696,000 are committed and in full force and effect.

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

12. RATES: The Issuer has duly enacted a rate ordinance on August 10, 1990, setting rates and charges for the services of the System. The time for appeal of such rate ordinance has expired and there has been no appeal thereof.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, all dated June 14, 1990, by his manual signature, and the undersigned Recorder did officially cause the official seal of the Issuer to be affixed upon each of said Bonds and to be attested by her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof the Issuer received from the Authority the agreed purchase price of the Series 1990 A Bonds and the Series 1989 B Bonds, being $667,000 (100% of par value), there being no interest accrued thereon.

15. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in a 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 Council at the public hearing held at a public meeting of Council on the 12th day of June, 1990, at 7:30 p.m., in the Council Chambers of the City Hall of The City of Hinton 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 Recorder. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

16. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received a Final Order of the Public Service Commission of West Virginia entered January 12, 1990 (Case No. 89-323-S-CN), granting to the Issuer a Certificate of Convenience and Necessity with respect to the Project. The time for appeal of such Final Order has expired prior to the date hereof without any appeal.

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

indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate related business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit, other than use as a member of the general public. All of the foregoing have been and shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended, including any successor provisions and rules and regulations thereunder (the "Code").

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

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

20. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Bonds.

WITNESS our signatures and the official seal of THE CITY OF HINTON on this 14th day of June, 1990.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
James A. Leslie Jr.	Mayor
Cynthia S. Cooper	Recorder
[illegible]	Counsel to Issuer

06/12/90
HINTOND.R3
41455/89001

(Preliminary Certificate)

THE CITY OF HINTON

Sewer Revenue Bonds, Series 1990 C

CERTIFICATE OF:

1. AUTHORIZATION AND AWARD OF BONDS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES, ETC.
6. CERTIFICATION OF COPIES OF DOCUMENTS
7. INCUMBENCY AND OFFICIAL NAME, ETC.
8. DELIVERY AND PAYMENT
9. LAND AND RIGHTS-OF-WAY
10. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.
11. CONTRACTORS' INSURANCE, ETC.
12. CONNECTIONS, ETC.
13. MANAGEMENT
14. GRANTS
15. PUBLICATION AND NO PROTEST
16. RATE FILING WITH PSC
17. PRIVATE USE OF FACILITIES
18. NO FEDERAL GUARANTY
19. IRS INFORMATION RETURN
20. RELIANCE

We, the undersigned MAYOR and RECORDER of The City of Hinton, in Summers County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, acting for the Issuer and in its name, hereby state and certify in connection with The City of Hinton Sewer Revenue Bonds, Series 1990 C, No. CR-1, dated the date hereof, fully registered, in the principal amount of $668,000, and bearing interest at the rate of 5% per annum (the "Bonds"), as follows:

1. AUTHORIZATION AND AWARD OF BONDS: The undersigned are authorized to execute this certificate on behalf of the Issuer and are knowledgeable with respect to the matters set forth herein. The entire issue of the Bonds have been duly awarded to the United States Department of Agriculture, Farmers Home Administration (the "Purchaser"), pursuant to a Letter of Conditions from the Purchaser, as amended, and as appears in the Bond Ordinance of the Issuer enacted June 12, 1990, and Section 12 of the Supplemental Resolution of the Issuer adopted June 12, 1990, authorizing issuance of the Bonds (collectively, the "Ordinance" or "Bond Ordinance"). The Bonds are being issued on this date to finance a portion of the cost of the

acquisition and construction of the Project, herein defined and described, located within the boundaries or jurisdiction of the Issuer.

2. NO LITIGATION: No controversy or litigation of any nature is now pending, or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the issuance and delivery of the Bonds or receipt of any grant moneys committed for the Project; nor questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds; nor in any way questioning or affecting the validity of the grants committed for the Project or the Bonds, or any provisions made or authorized for the payment thereof, including, without limitation, the pledge or application of any moneys or security therefor; nor questioning the existence, powers or proceedings of the Issuer or the Council of the Issuer (the "Governing Body") or the title of the members and officers thereof to their respective offices; nor questioning the operation of the sewerage system of the Issuer (as added to, extended and improved by the Project, herein defined, the "System") or the acquisition and construction of additions, extensions or improvements thereto (the "Project"), a portion of the cost of which is being financed out of the proceeds of sale of the Bonds; nor questioning the rates and charges provided for services of the System.

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

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

The Issuer has an outstanding obligation which will rank senior and prior to the Bonds as to liens, pledges, 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, and held by the public. Moneys have been deposited with the Municipal Bond Commission in escrow which are, together with investment earnings

thereon, sufficient to pay, when due, the principal of and interest on the Prior Bonds.

The Sewer Revenue Bonds, Series 1990 A, of the Issuer (the "Series 1990 A Bonds"), issued concurrently herewith in the aggregate principal amount of $637,262, are issued on a parity with respect to liens, pledges and sources of and security for payment with the Bonds. The Sewer Revenue Bonds, Series 1990 B, of the Issuer (the "Series 1990 B Bonds"), issued concurrently herewith in the aggregate principal amount of $29,738, are junior and subordinate with respect to liens, pledges and sources of and security for payment to the Bonds. Both the Series 1990 A Bonds and the Series 1990 B Bonds are being sold to the West Virginia Water Development Authority.

There are no other outstanding bonds or obligations which will rank prior to or on a parity with the Bonds as to liens, pledges and/or sources of and security for payment.

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

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

Charter of The City of Hinton.

Bond and Notes Ordinance.

Supplemental Resolution.

1960 Bonds Ordinance.

Oaths of Office of Councilmembers.

Ordinance creating Sanitary Board.

Petition of Sanitary Board.

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

Rate Ordinance.

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

Minutes on Enactment of Bond Ordinance and Adoption of Supplemental Resolution.

Minutes on Enactment of Rate Ordinance.

ARC Grant Commitment.

EPA Grant Agreement, with Part B approval.

Public Service Commission Final Order entered January 12, 1990, and Further Order entered May 15, 1990.

The undersigned Mayor hereby covenants that he has or will file tariffs pursuant to said Final Order of the Public Service Commission when the completion date of the Project is definitely known, or has or will cause such tariffs to be filed in accordance with said Order.

7. INCUMBENCY AND OFFICIAL NAME, ETC.: The proper name of the Issuer is "The City of Hinton." The Issuer is a municipal corporation in Summers County and 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, qualified and acting, 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
James A. Leslie, Jr.	- Mayor	July 1, 1989	June 30, 1991
Ed Hannah	- Councilmember	July 1, 1989	June 30, 1991
Larry K. Meador	- Councilmember	July 1, 1989	June 30, 1991
H. G. Keffer	- Councilmember	July 1, 1989	June 30, 1991
Coleman Leslie	- Councilmember	July 1, 1989	June 30, 1991

The duly appointed, qualified and acting Recorder of the Issuer is Cynthia S. Cooper.

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

Chairman	-	James A. Leslie, Jr.
Member	-	Don R. Dewitt
Member	-	R. Lynn Long, P.E.

The duly appointed and acting Attorney for the Issuer is David L. Ziegler, of Ziegler and Gunnoe, Hinton, West Virginia.

8. DELIVERY AND PAYMENT: On the date hereof, Bond No. CR-1 was delivered to the Purchaser at Hinton, West Virginia, by the undersigned Mayor for the purposes herein set forth, and at the time of such delivery, the Bonds had been duly and fully executed and sealed on behalf of the Issuer in accordance with the Bond Ordinance.

At the time of delivery of Bond No. CR-1, the amount of $76,203 was received by the undersigned Mayor, being a portion of the principal amount of Bond No. CR-1, the balance to be paid as acquisition and construction of the Project progresses.

Bond No. CR-1 is dated the date hereof, and interest on advances of principal thereof at the rate of 5% per annum is payable from the date of each respective advance.

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

9. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition 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.

10. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the acquisition, construction, operation and financing of the

Project and the System were authorized or adopted at 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 Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

11. CONTRACTORS' INSURANCE, ETC.: All contractors will be required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Letter of Conditions and Commitment of the Purchaser, as amended, and the Bond Ordinance.

12. CONNECTIONS, ETC.: The Issuer has at least 1442 bona fide full time customers served by the System, in full compliance with the requirements and conditions of the Purchaser.

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

14. GRANTS: As of the date hereof, the grant from the Appalachian Regional Commission in the amount of $696,000 and the grant from the Environmental Protection Agency in the amount of $1,994,300 are committed and in full force and effect.

15. PUBLICATION AND NO PROTEST: Notice of public hearing upon the Bond Ordinance, finally adopted and enacted June 12, 1990, was duly published as required by law.

There was not any protest to the passage of the Bond Ordinance, oral or written, and such Ordinance became fully effective on June 12, 1990, following such public hearing, and remains in full force and effect.

16. RATE FILING WITH PSC: Pursuant to West Virginia Code Section 24-2-4b, the Issuer has filed the rates and rules contained in the ordinance authorizing such rates and rules with the Public Service Commission of West Virginia.

17. PRIVATE USE OF FACILITIES: The Issuer shall at all times take, and refrain from taking, and shall not fail to take, any and all actions necessary, to assure the initial and continued tax-exempt status of the Bonds and the interest thereon. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly,

for any private business use, and less than 10% of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate related business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit, other than use as a member of the general public. All of the foregoing have been and shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended, including any successor provisions and rules and regulations thereunder (the "Code").

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

19. IRS INFORMATION RETURN: The information contained in the Information Return to be filed pursuant to Section 149(e) of the Code in connection with the issuance of the Bonds is true, complete and correct.

20. RELIANCE: The undersigned acknowledge that it is intended that interest on the Bonds be exempt from federal income tax in the hands of the owners thereof, that the firm of Steptoe & Johnson is rendering opinions on the date hereof to said effect, and that, in rendering said opinions, said firm is relying, among other things, upon the statements made herein.

WITNESS our signatures and the official corporate seal of THE CITY OF HINTON on this 14th day of June, 1990.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
James A. Leslie Jr.	Mayor
Cynthia S. Cooper	Recorder
[illegible]	Attorney for Issuer

06/12/90
HINTONB.S4
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, N. J. 07016 ED 11 10

(Form of Final Certificate)

THE CITY OF HINTON

Sewer Revenue Bonds, Series 1990 C

CERTIFICATE OF:

1. AUTHORIZATION AND AWARD OF BONDS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES, ETC.
6. CERTIFICATION OF COPIES OF DOCUMENTS
7. INCUMBENCY AND OFFICIAL NAME, ETC.
8. DELIVERY AND PAYMENT AND USE OF PROCEEDS
9. LAND AND RIGHTS-OF-WAY
10. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.
11. CONTRACTORS' INSURANCE, ETC.
12. CONNECTIONS, ETC.
13. MANAGEMENT
14. GRANTS
15. PUBLICATION AND NO PROTEST
16. RATE FILING WITH PSC
17. PRIVATE USE OF FACILITIES
18. NO FEDERAL GUARANTY
19. IRS INFORMATION RETURN
20. NO ARBITRAGE
21. RELIANCE

We, the undersigned MAYOR and RECORDER of The City of Hinton, in Summers County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, acting for the Issuer and in its name, hereby state and certify in connection with The City of Hinton Sewer Revenue Bonds, Series 1990 C, No. CR-1, dated the date of delivery thereof, fully registered, in the principal amount of $668,000, and bearing interest at the rate of 5% per annum (the "Bonds"), as follows:

1. AUTHORIZATION AND AWARD OF BONDS: The undersigned are authorized to execute this certificate on behalf of the Issuer and are knowledgeable with respect to the matters set forth herein. The entire issue of the Bonds have been duly awarded to the United States Department of Agriculture, Farmers Home Administration (the "Purchaser"), pursuant to a Letter of Conditions from the Purchaser, as amended, and as appears in the Bond Ordinance of the Issuer enacted _____, 19____, and Section 12 of the Supplemental Resolution of the Issuer adopted _____, 19____, authorizing issuance of the Bonds (collectively, the "Ordinance" or "Bond

Ordinance"). The Bonds have been issued to finance a portion of the cost of the acquisition and construction of the Project, herein defined and described, located within the boundaries or jurisdiction of the Issuer.

2. NO LITIGATION: No controversy or litigation of any nature is now pending, or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the issuance and delivery of the Bonds or receipt of any grant moneys committed for the Project; nor questioning the proceedings and authority by which the Issuer authorized the issuance and sale of the Bonds; nor in any way questioning or affecting the validity of the grants committed for the Project or the Bonds, or any provisions made or authorized for the payment thereof, including, without limitation, the pledge or application of any moneys or security therefor; nor questioning the existence, powers or proceedings of the Issuer or the Council of the Issuer (the "Governing Body") or the title of the members and officers thereof to their respective offices; nor questioning the operation of the sewerage system of the Issuer (as added to, extended and improved by the Project, herein defined, the "System") or the acquisition and construction of additions, extensions or improvements thereto (the "Project"), a portion of the cost of which is being financed out of the proceeds of sale of the Bonds; nor questioning the rates and charges provided for services of the System.

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

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

The Issuer has an outstanding obligation which will rank senior and prior to the Bonds as to liens, pledges, 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, and held by the public. Moneys have been deposited with the Municipal Bond Commission in escrow which are, together with investment earnings

thereon, sufficient to pay, when due, the principal of and interest on the Prior Bonds.

The Sewer Revenue Bonds, Series 1990 A, of the Issuer (the "Series 1990 A Bonds"), issued in the aggregate principal amount of $637,262, were issued on a parity with respect to liens, pledges, and sources of and security for payment with the Bonds. The Sewer Revenue Bonds, Series 1990 B, of the Issuer (the "Series 1990 B Bonds"), issued in the aggregate principal amount of $29,738, were issued junior and subordinate with respect to liens, pledges and sources of and security for payment to the Bonds. Both the Series 1990 A Bonds and the Series 1990 B Bonds have been sold to the West Virginia Water Development Authority.

There are no other outstanding bonds or obligations which will rank prior to or on a parity with the Bonds as to liens, pledges and/or sources of and security for payment.

5. SIGNATURES, ETC.: The undersigned Mayor and Recorder did, for the Issuer on June 14, 1990, officially execute and seal the Bonds with the official corporate seal of the Issuer, an impression of which seal is on this certificate above our signatures and said officers were the duly elected or appointed, as applicable, qualified and serving officers as indicated by the official titles, and were at the time of such delivery duly authorized to execute and seal the Bonds for the Issuer.

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

Charter of The City of Hinton.

Bond and Notes Ordinance.

Supplemental Resolution.

1960 Bonds Ordinance.

Oaths of Office of Councilmembers.

Ordinance creating Sanitary Board.

Petition of Sanitary Board.

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

Rate Ordinance.

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

Minutes on Enactment of Bond Ordinance and Adoption of Supplemental Resolution.

Minutes on Enactment of Rate Ordinance.

ARC Grant Commitment.

EPA Grant Agreement, with Part B approval.

Public Service Commission Final Order entered January 12, 1990, and Further Order entered May 15, 1990.

The undersigned Mayor hereby covenants that he has or will file tariffs pursuant to said Final Order of the Public Service Commission when the completion date of the Project is definitely known, or has or will cause such tariffs to be filed in accordance with said Order.

7. INCUMBENCY AND OFFICIAL NAME, ETC.: The proper name of the Issuer is "The City of Hinton." The Issuer is a municipal corporation in Summers County and 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, qualified and acting, 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

The duly appointed, qualified and acting Recorder of the Issuer is _____.

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

Chairman -
Member -
Member -

The duly appointed and acting Attorney for the Issuer is _____, _____, _____.

8. DELIVERY AND PAYMENT AND USE OF PROCEEDS: On June 14, 1990, Bond No. CR-1 was delivered to the Purchaser at Hinton, West Virginia, by the undersigned Mayor for the purposes set forth herein, and at the time of such delivery, the Bonds had been duly and fully executed and sealed on behalf of the Issuer in accordance with the Bond Ordinance.

At the time of delivery of Bond No. CR-1, the amount of $76,203 was received by the undersigned Mayor, being a portion of the principal amount of Bond No. CR-1. As of the date hereof, the entire balance of the principal amount of the Bonds has been paid to and received by the Issuer.

Bond No. CR-1 is dated the date of delivery thereof, and interest on advances of the principal thereof at the rate of 5% per annum is payable from the date of each respective advance.

The Bonds and the entire proceeds thereof have been and will be used for the purposes herein set forth and for no other purposes.

9. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition 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.

10. MEETINGS; PUBLICATION AND POSTING OF NOTICES, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at 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 Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

11. CONTRACTORS' INSURANCE, ETC.: All contractors will be required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Letter of Conditions and Commitment of the Purchaser, as amended, and the Bond Ordinance.

12. CONNECTIONS, ETC.: The Issuer now serves at least 1442 bona fide full time customers, in full compliance with the requirements and conditions of the Purchaser.

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

14. GRANTS: As of the date hereof, the grant from the Appalachian Regional Commission in the amount of $696,000, and the grant from the Environmental Protection Agency in the amount of $1,994,300 are committed and in full force and effect.

15. PUBLICATION AND NO PROTEST: Notice of public hearing upon the Bond Ordinance, finally adopted and enacted _____, 19_____, was duly published as required by law.

There was not any protest to the passage of the Bond Ordinance, oral or written, and such Ordinance became fully effective on _____, 19_____, following such public hearing, and remains in full force and effect.

16. RATE FILING WITH PSC: Pursuant to West Virginia Code Section 24-2-4b, the Issuer has filed the rates and rules contained in the ordinance authorizing such rates and rules with the Public Service Commission of West Virginia.

17. PRIVATE USE OF FACILITIES: The Issuer shall at all times take, and refrain from taking, and shall not fail to take, any and all actions necessary, to assure the initial and continued tax-exempt status of the Bonds and the interest thereon. Less than 10% of the proceeds of the Bonds will be used, directly or indirectly, for any private business use, and less than 10% of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use. None of the proceeds of the Bonds will be used, directly or indirectly, for any private business use which is not related to the governmental use of the proceeds of the Bonds, including the disproportionate related business use of the proceeds of the Bonds, and none of the payment of principal of, or the interest on, such issue, under the terms of such issue or any underlying arrangement, is, directly or indirectly, secured by any interest in property used or to be used for a private business use, payments in respect of such property, or to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use with respect to such private business use, which is not related to any government use of such proceeds, including the disproportionate related business use of the issue of the Bonds. None of the proceeds of the issue of the Bonds will be used, directly or indirectly, to make or finance loans to persons other than governmental units. For purposes of this paragraph, private business use means use, directly or indirectly, in a trade or business carried on by any person, including related persons, other than a governmental unit, other than use as a member of the general public. All of the foregoing have been and shall be determined in accordance with and within the meaning of the Internal Revenue Code of 1986, as amended,

including any successor provisions and rules and regulations thereunder (the "Code").

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

19. IRS INFORMATION RETURN: The information contained in the Information Return filed pursuant to Section 149(e) of the Code in connection with the issuance of the Bonds is true, complete and correct.

20. NO ARBITRAGE: On the basis of the facts, estimates and circumstances in existence on the date hereof, it is reasonably expected and estimated as hereinafter set forth with respect to the Bonds and the proceeds thereof.

It is estimated that the total costs of acquisition and construction of the Project will be not less than $_____. The said total costs are expected to be financed with:

(i) $_____ of proceeds from the sale of the Bonds;

(ii) $_____ of proceeds from the sale of the Series 1990 A Bonds and the Series 1990 B Bonds; and

(iii) Grant moneys in the amount of not more than $_____.

The purchase price of the Bonds, being $_____ (100% with no accrued interest being paid thereon), has been deposited in the Project Construction Trust Fund provided for in Article V, Section 5.01, of the Bond Ordinance, has been and will be spent to finance a portion of the costs and expenses of the Project (including without limitation issuance costs and expenses) and for no other purpose. Amounts in the Project Construction Trust Fund, if invested, have been and will be invested without yield limitations for a period necessary to complete the Project, not to exceed 3 years, except as otherwise set forth herein. All of such moneys are necessary for such purpose.

All proceeds of the Bonds used to reimburse the Issuer for costs of the Project previously incurred and paid by the Issuer with its own funds will be applied to reimbursement of costs which the Issuer intended, at all times, to finance with proceeds of the Bonds, and none of such costs were paid or incurred prior to October, 1988.

The Issuer has heretofore entered into a contract for the acquisition and construction of the Project, which contract obligates payment by the Issuer of not less than $100,000 and is a substantial binding commitment. The actual work of acquiring and constructing the Project commenced during the month of _____, 19___. It is contemplated that such work will proceed with due diligence to completion, expected on or about _____, 19___.

The Issuer has heretofore expended, for payment of costs incurred in acquiring and constructing the Project, approximately $_____, derived from (i) a portion of the aforesaid grants and (ii) _____
_____.

The proceeds derived by the Issuer from the sale of the Bonds were used, needed and fully expended for payment of costs of acquiring and constructing the Project by no later than _____, 19____.

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

The Issuer had, at all relevant times, and has general taxing powers; no Bonds which are part of such issue have been or are private activity bonds, as hereinbefore set forth; 95% or more of the net proceeds of such issue have been and are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year in which such issue was or has been issued was not and/or is not reasonably expected to exceed $5,000,000, determined in accordance with Section 148(f)(4)(C) of the Code. For purposes of this paragraph and for the purposes of applying such Section 148(f)(4)(C) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer have been and shall be treated as one issuer; all obligations issued by a subordinate entity have been and shall be, for purposes of applying this paragraph and Section 148(f)(4)(C) of the Code to each other entity to which such entity is subordinate, 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 have been and shall be treated as one issuer. No portion of the issue of the Bonds have been issued to refund other obligations.

Except for the Series 1990 C Bonds Reserve Account, and except as otherwise set forth herein, the Issuer has not created or established, and does not expect to create or establish, any sinking fund or other similar fund with respect to the Bonds. The Issuer does not expect the Operation and Maintenance Fund, the Prior Bonds Sinking Fund, the Reserve Fund, the Series 1990 A Bonds Sinking Fund (including the Series 1990 A Bonds Reserve Account therein), the Series 1990 B Bonds Sinking Fund (including the Series 1990 B Bonds Reserve Account therein), the Depreciation Fund or the Renewal and Replacement Fund, all provided for in Article V of the Bond Ordinance, will be used or needed for payments upon the Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts or other investment-type property producing a yield in excess of the yield on the Bonds have been or will be pledged to payment of the Bonds. None of the moneys arising from the sale of the Bonds have been or will be deposited in the Series 1990 C Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1990 C Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal and interest on the Bonds (the "Minimum Reserve") and will not exceed 125% of average annual principal and interest on the Bonds. Amounts in the Series 1990 C Bonds Reserve Account, not to exceed 10% of the proceeds of the Bonds, if invested, will be invested without yield limitation. The establishment of the Series 1990 C Bonds Reserve Account is required by the Purchaser, is vital to its purchase of the Bonds and is reasonably required to assure payments of debt service on the Bonds. Principal of and interest on the Bonds have been and will be paid directly to the Purchaser out of revenues of the System in the Revenue Fund provided for in Article V, Section 5.01, of the Bond Ordinance, except to the extent otherwise provided herein. The amounts paid by the Issuer from the Revenue Fund for debt service on the Bonds are intended primarily to achieve a proper matching of payments of debt service on the Bonds each year. Such portions of the Revenue Fund will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1/12th of annual debt service on the Bonds or 1 year's interest earnings on such portions of the Revenue Fund. Amounts deposited in such portions of the Revenue Fund will be expended within 13 months of the date of deposit and will be invested without yield limitation.

Except as otherwise allowed, investment earnings and profits have been and will be spent within a one year period beginning on the date of receipt.

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

Except for the Series 1990 A Bonds and the Series 1990 B Bonds, there are no other obligations of the Issuer which (a) were or are to be issued at substantially the same time as the Bonds, (b) were or are to be sold pursuant to a common plan of financing together with the Bonds and (c) have been or will be paid out of substantially the same source of funds or have or will have substantially the same claim to be paid out of substantially the same source of funds as the Bonds.

This certificate is being executed and delivered pursuant to Sections 103 and 148 of the Code, and the undersigned Mayor is one of the officers of the Issuer duly charged by the Issuer with the responsibility of issuing the Bonds.

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

No part of the Project financed with the Bonds has been or will be sold or otherwise disposed of prior to the last maturity date of the Bonds.

The undersigned Mayor is familiar with the facts, circumstances and estimates herein certified and is duly authorized to execute and deliver this certificate on behalf of the Issuer. This certificate may be relied upon as the certificate of the Issuer.

In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted to not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The Issuer has covenanted to not intentionally use any portion of the proceeds of the issue of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Sections 103 and 148 of the Code. The Issuer, in the Bond Ordinance, has further covenanted that it will take all actions that may be required of it so that the interest on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

The transaction contemplated herein does not represent an exploitation of the difference between taxable and tax-exempt interest rates and the execution and delivery of the Bonds did not occur sooner than otherwise necessary, nor are the Bonds in a principal amount greater than otherwise necessary or to be outstanding longer than otherwise necessary.

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

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

To the best of our knowledge, information and belief, the above expectations are reasonable.

21. RELIANCE: The undersigned acknowledge that it is intended that interest on the Bonds be exempt from federal income tax in the hands of the owners thereof, that the firm of Steptoe & Johnson is rendering opinions on the date hereof to said effect, and that, in rendering said opinions, said firm is relying, among other things, upon the statements made herein.

WITNESS our signatures and the official seal of THE CITY OF HINTON on this _____ day of _____, 19__.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Mayor
_____	Recorder
_____	Attorney for Issuer

07/09/90
HINTONB.T4
41455/89001

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A and Series 1990 C

CERTIFICATE AS TO ARBITRAGE

I, James A. Leslie, Jr., Mayor of THE CITY OF HINTON, in Summers County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $637,262 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A, of the Issuer, dated June 14, 1990 (the "Series 1990 A Bonds" or "Local Bonds"), and for the issuance of $668,000 aggregate principal amount of Sewer Revenue Bonds, Series 1990 C, of the Issuer, dated June 14, 1990 (the "Series 1990 C Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or any predecessor thereto (the "Code"). I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds, hereinafter defined. I am familiar with the facts, circumstances and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Issuer.

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on June 14, 1990, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof or for more than a de minimis amount of the proceeds thereof as to the Series 1990 C Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. In the Bond Ordinance pursuant to which the Bonds are issued, the Issuer has covenanted to not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Bonds which would cause any of the Bonds to be "arbitrage bonds"

within the meaning of Section 148 of the Code. The Issuer has, therefore, covenanted to not intentionally use any portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Sections 103 and 148 of the Code. The Issuer, in the Bond Ordinance, has further covenanted that it will take any and all actions that may be required of it so that the interest on the 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, which would adversely affect such exclusion.

6. The Series 1990 A Bonds and the $29,738 aggregate principal amount of Series 1990 B Bonds (the "Series 1990 B Bonds or "Supplemental Bonds"), which Series 1990 B Bonds bear no interest, were sold on June 14, 1990, to the West Virginia Water Development Authority (the "Authority") for an aggregate purchase price of $667,000 (100% of par). The Series 1990 C Bonds were sold on June 14, 1990, to the United States Department of Agriculture, Farmers Home Administration (the "Purchaser"), for an aggregate purchase price of $668,000 (100% of par), of which $76,203 was received on the date hereof, which is more than a de minimis amount of the proceeds of the Series 1990 C Bonds. No accrued interest has been or will be paid on any of the Bonds. The Series 1990 B Bonds are junior and subordinate to the Series 1990 A Bonds and the Series 1990 C Bonds. The Series 1990 A Bonds and Series 1990 C Bonds are on a parity with each other. The Series 1990 A Bonds, the Series 1990 B Bonds and the Series 1990 C Bonds are collectively herein referred to as the "Bonds." The Bonds are junior and subordinate to the Sewage Revenue Bonds dated October 1, 1960 (the "Prior Bonds"), of the Issuer issued in the original aggregate principal amount of $720,000.

7. The Series 1990 A Bonds and Series 1990 C 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 for the existing sewerage facilities of the Issuer (the "Project"); (ii) paying the interest on the respective two series of Bonds during the acquisition or construction of the Project and for a period not exceeding 6 months after completion of construction or acquisition of the Project; and (iii) paying costs of issuance thereof. The Series 1990 B Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purpose of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance of the Series 1990 B Bonds.

8. The Issuer will, on the date hereof, enter into agreements which require the Issuer to expend in excess of $100,000 on the Project constituting a substantial binding commitment, or has already done so. Acquisition, construction and equipping of the Project will commence immediately and will proceed with due diligence to completion, and, with the exception of proceeds constituting capitalized interest and any proceeds deposited in the respective Reserve Accounts for the Bonds, 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 July, 1991. Acquisition and construction of the Project is expected to be completed by September, 1991.

9. The total cost of the Project (including all costs of issuance of the Bonds) is estimated at $4,053,490. Sources and uses of funds for the Project are as follows:

Sources	
Gross proceeds of Series 1990 A Bonds	$ 637,262
Gross proceeds of Series 1990 B Bonds	29,738
Gross proceeds of Series 1990 C Bonds	668,000
EPA Grant	1,994,300
ARC Grant	696,000
Anticipated Investment Earnings	28,190
Total Sources	$4,053,490

Uses	
Acquisition and Construction of Project	$3,950,115
Capitalized Interest in the Series 1990 A Bonds	83,375
Funded Reserve for Series 1990 A Bonds	-0-
Funded Reserve for Series 1990 B Bonds	-0-
Funded Reserve for Series 1990 C Bonds	-0-
Costs of Issuance	20,000
Total Uses	$4,053,490

The amount of Project costs not expected to be reimbursed or paid from grants and Series 1990 B Bond proceeds is estimated to be at least equal to the gross proceeds of the Series 1990 A Bonds and the Series 1990 C Bonds. Except for the proceeds of the Series 1990 A Bonds, the Series 1990 B Bonds, the Series 1990 C Bonds, the grants and interest earnings during construction, no other funds of the Issuer will be available to meet costs of the Project, and no balances are available to meet such costs in any account which may, without legislative or judicial action, be invaded to pay such expenditures without a legislative, judicial or contractual requirement that such account be reimbursed.

10. Pursuant to Article V of the Bond Ordinance pursuant to which the Bonds are issued, the following special funds or accounts have been created or continued:

(1) Revenue Fund;

(2) Operation and Maintenance Fund;

(3) Depreciation Fund;

(4) Series 1990 C Bonds Reserve Account;

(5) Renewal and Replacement Fund;

(6) Bond Construction Trust Fund, and within the Bond Construction Trust Fund, Account One and Account Two;

(7) Prior Bonds Sinking Fund;

(8) Series 1990 A Bonds Sinking Fund, and within the Series 1990 A Bonds Sinking Fund, the Series 1990 A Bonds Reserve Account;

(9) Series 1990 B Bonds Sinking Fund, and within the Series 1990 B Bonds Sinking Fund, the Series 1990 B Bonds Reserve Account; and

(10) Reserve Fund.

11. Pursuant to Article VI of the Bond Ordinance pursuant to which the Bonds are issued, the proceeds of the Series 1990 A Bonds (and the Series 1990 B Bonds) will be deposited as follows:

(1) Series 1990 A Bond proceeds in the amount of $83,375 will be deposited in the Series 1990 A Bonds Sinking Fund as capitalized interest and applied to payment of

interest on the Series 1990 A Bonds during acquisition or construction of the Project and for a period not to exceed six months after completion thereof.

(2) Series 1990 A Bond proceeds in the amount of $-0- and Series 1990 B Bond proceeds in the amount of $-0- will be deposited in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account, respectively.

(3) Series 1990 A Bond proceeds in the amount of $-0- will be applied to payment of certain advances made to the Issuer for the purpose of temporarily financing a portion of the Costs of the Project.

(4) The balance of the proceeds of the Series 1990 A Bonds and the Series 1990 B Bonds will be deposited in Account One of the Bond Construction Trust Fund and applied solely to payment of Costs of the Project, including costs of issuance of the Bonds and related costs.

The purchase price of the Series 1990 C Bonds will be advanced as requested by the Issuer and such advances will be deposited in Account Two of the Bond Construction Trust Fund and will immediately thereafter be spent to finance a portion of the costs of the Project (including, without limitation, issuance costs and expenses) and for no other purpose.

Amounts in the Bond Construction Trust Fund, if invested, will be invested without yield limitation for a period necessary to complete the Project, not to exceed 3 years, except as otherwise set forth herein. All of such moneys are necessary for such purpose.

All proceeds of the Bonds used to reimburse the Issuer for costs of the Project previously incurred and paid by the Issuer with its own funds will be applied to reimbursement of costs which the Issuer intended, at all times, to finance with proceeds of the Bonds, and none of such costs were paid or incurred prior to October, 1988.

12. Moneys held in the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 1990 A Bonds, on a parity with the Series 1990 C Bonds, and the Series 1990 B Bonds, respectively, and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 1990 A Bonds Sinking Fund and Series 1990 A Bonds Reserve Account, the Series 1990 B Bonds Sinking Fund and Series 1990 B Bonds Reserve Account and the Series 1990 C Bonds Reserve Account will be returned, not less than once each year, to the Issuer, and such

amounts shall, during construction of the Project, be deposited into 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.

13. Except for the Series 1990 A Bonds Sinking Fund and the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Sinking Fund and Series 1990 B Bonds Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Series 1990 A Bonds or the Series 1990 B Bonds, respectively, or which are pledged as collateral for the Series 1990 A Bonds or the Series 1990 B Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Series 1990 A Bonds or the Series 1990 B Bonds, if the Issuer encounters financial difficulties, and except that the Series 1990 C Bonds Reserve Account is being held on a parity basis for the Series 1990 A Bonds and the Series 1990 C Bonds. The Issuer does not expect that moneys in the Operation and Maintenance Fund, the Prior Bonds Sinking Fund, the Reserve Fund, the Depreciation Fund or the Renewal and Replacement Fund will be used or needed for payments upon the Series 1990 A Bonds or Series 1990 B Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or any residential rental property for family units which is not located within the jurisdiction of the Issuer and which is not acquired to implement a court ordered or approved designation plan producing a yield in excess of the yield on the Bonds have been or will be pledged to payment of the Bonds. None of the moneys received from the sale of the Series 1990 A Bonds will be deposited in the Series 1990 A Bonds Reserve Account or any other reserve or replacement fund, and none of the moneys received from the sale of the Series 1990 B Bonds will be deposited in the Series 1990 B Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1990 A Bonds Reserve Account and Series 1990 B Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal of and interest on the Series 1990 A Bonds and the Series 1990 B Bonds, respectively, and will not exceed 125% of average annual principal of and interest on the Series 1990 A Bonds and the Series 1990 B Bonds, respectively. Amounts in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account, not to exceed 10% of the proceeds of the Series 1990 A Bonds and the Series 1990 B Bonds, respectively, if invested, will be invested without yield limitation. The

establishment of the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account are required by the Authority, are vital to its purchase of the Series 1990 A Bonds and the Series 1990 B Bonds, respectively, and are reasonably required to assure payments of debt service on the Series 1990 A Bonds and the Series 1990 B Bonds, respectively.

Except for the Series 1990 C Bonds Reserve Account and except as otherwise set forth herein, the Issuer has not created or established, and does not expect to create or establish, any sinking fund or other similar fund with respect to the Series 1990 C Bonds, and except that the Series 1990 A Bonds Sinking Fund and the Series 1990 A Bonds Reserve Account are being held on a parity basis for the Series 1990 A Bonds and the Series 1990 C Bonds, subject to any limitations in the Bond Ordinance pursuant to which the Bonds are issued. The Issuer does not expect the Operation and Maintenance Fund, the Prior Bonds Sinking Fund, the Reserve Fund, the Depreciation Fund or the Renewal and Replacement Fund will be used or needed for payments upon the Series 1990 C Bonds. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts or other investment property producing a yield in excess of the yield on the Series 1990 C Bonds have been or will be pledged to payment of the Series 1990 C Bonds. None of the moneys arising from the sale of the Series 1990 C Bonds will be deposited in the Series 1990 C Bonds Reserve Account or any other reserve or replacement fund. The amounts deposited in the Series 1990 C Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal and interest on the Series 1990 C Bonds and will not exceed 125% of average annual principal and interest on the Series 1990 C Bonds. Amounts in the Series 1990 C Bonds Reserve Account, not to exceed 10% of the proceeds of the Series 1990 C Bonds, if invested, will be invested without yield limitation. The establishment of the Series 1990 C Bonds Reserve Account is required by the Purchaser, is vital to its purchase of the Series 1990 C Bonds and is reasonably required to assure payments of debt service on the Series 1990 C Bonds. Principal of and interest on the Series 1990 C Bonds will be paid directly to the Purchaser out of revenues of the System in the Revenue Fund, except to the extent otherwise provided herein.

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

14. The Issuer expects to enter into a contract within 6 months of the date hereof, or has already entered into such a contract, for the construction of the Project, and the amount to be expended pursuant to such contract exceeds the lesser of 2 1/2% of the estimated total Project cost financed with proceeds from the sale of the Bonds or $100,000.

15. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. Acquisition and construction is expected to be completed within 15 months.

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

17. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Series 1990 A Bonds and Series 1990 B Bonds to the Authority.

18. 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.

19. With the exception of the amount deposited in the Series 1990 A Bonds Sinking Fund for payment of interest on the Series 1990 A Bonds and amounts deposited in the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account, if any, all of the proceeds of the Series 1990 A Bonds and the Series 1990 B Bonds will be expended on the Project within 13 months from the date of issuance thereof.

20. The Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein) and the amounts paid to the Purchaser out of the Revenue Fund for debt service on the Series 1990 C Bonds are intended primarily to achieve a proper matching of payments of debt service on the Series 1990 A Bonds, the Series 1990 B Bonds and the Series 1990 C Bonds, respectively, each year. The Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein) and such portions of the Revenue Fund will be depleted at least once a year except for a reasonable carryover amount not in excess of the

greater of 1/12th of annual debt service on the Series 1990 A Bonds, the Series 1990 B Bonds and the Series 1990 C Bonds, respectively, or 1 year's interest earnings on the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein) and such portions of the Revenue Fund, respectively. Except as otherwise allowed, any money deposited in the Series 1990 A Bonds Sinking Fund and in the Series 1990 B Bonds Sinking Fund for payment of the principal of or interest on the Series 1990 A Bonds and the Series 1990 B Bonds, respectively (other than the Series 1990 A Bonds Reserve Account and the Series 1990 B Bonds Reserve Account therein), and such portions of the Revenue Fund will be spent within a 13-month period beginning on the date of receipt and will be invested without yield limitation, and any moneys received from the investment of amounts held in the Series 1990 A Bonds Sinking Fund and the Series 1990 B Bonds Sinking Fund (other than in the Series 1990 A Reserve Account and the Series 1990 B Bonds Reserve Account therein) and such portions of the Revenue Fund will be spent within a 1-year period beginning on the date of receipt.

21. All the proceeds of the Series 1990 A Bonds which were used for the payment of costs of the Project will be expended for such purposes within three years of December 27, 1989.

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

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

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

25. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of Bonds or $5,000,000 have been or will be used to make or finance loans to, any person who is not a governmental unit.

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

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

28. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of any of the Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of any 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 the Treasury Regulations promulgated or to be promulgated thereunder.

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

30. The Issuer is a governmental unit and has general taxing powers; no Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 1990, the calendar year in which the Bonds are issued, is not reasonably expected to exceed $5,000,000, determined in accordance with Section 148(f)(4)(C) of the Code. For purposes of this paragraph and for purposes of applying such 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 paragraph 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. No portion of the Bonds is issued to refund other obligations.

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

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

32. The Issuer has either (a) funded the Series 1990 A Bonds Reserve Account at the maximum amount of principal and interest

which will mature and become due on the Series 1990 A Bonds in the then current or any succeeding year with the proceeds of the Series 1990 A Bonds, or (b) created the Series 1990 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 1990 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Series 1990 A Bonds in the then current or any succeeding year. Moneys in the Series 1990 A Bonds Reserve Account and the local sinking fund (established for the annual payment of principal and interest) will be used solely to pay principal of and interest on the Series 1990 A Bonds on a parity with the Series 1990 C Bonds and will not be available to meet the cost of the Project.

33. 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 issuer exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the bond year which would make the Bonds subject to rebate. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and any interest thereon.

34. The Issuer has retained the right to amend its authorizing documents if such amendment is 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 from gross income for federal income tax purposes of interest on the Bonds.

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

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

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

38. 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.

39. Steptoe & Johnson is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the tax-exempt status of interest on the Series 1990 A Bonds and the Series 1990 C Bonds.

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

IN WITNESS WHEREOF, I have set my hand this 14th day of June, 1990.

THE CITY OF HINTON

By James A. Leslie Jr.
Its Mayor

06/13/90
HINTONJ.U3
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NE[illegible] SEY 1[illegible]

CD 11-C

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

ENGINEER'S CERTIFICATE

I, Michael V. Lawson, Registered Professional Engineer, West Virginia License No. 8309, of Lawson Engineering and Technical Services, consulting engineers, of Beckley, West Virginia, individually and for and on behalf of Lawson Engineering and Technical Services, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements (the "Project") for the existing sewerage system of The City of Hinton in Summers County, West Virginia (the "Issuer"). Certain costs of such acquisition and construction are being financed by proceeds of the above-captioned bonds (the "Bonds") and certain grant proceeds from the Environmental Protection Agency and the Appalachian Regional Commission.

2. I hereby certify that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm, or amendments thereto, and as described in the Application submitted to the West Virginia Water Development Authority (the "Authority") and approved by all necessary governmental bodies and will be situate wholly or chiefly within the boundaries of the Issuer; (ii) the Project is adequate for the purpose for which it was designed and all applicable and necessary governmental approvals, certificates, permits, exemptions, consents and authorizations for the acquisition and construction thereof have been obtained; (iii) I have examined and reviewed all plans, specifications, bid documents and construction contracts relating to the Project and all bids for acquisition and construction of the Project have been received in an amount and are otherwise compatible with the plan of financing described in said Application and I will ascertain that all contractors have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds will be verified for accuracy and completeness prior to commencement of acquisition and construction of the Project; (iv) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States of America necessary for acquisition and construction of the Project and, to the extent presently obtainable, the operation of the System; (v) the acquisition and construction of and funding for the Project should proceed to a successful conclusion within the time schedules proposed; (vi) the useful life of the facilities constituting the Project is not less

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than 40 years; (vii) the rates and charges for the sewerage system of the Issuer comply with the applicable provisions of the Loan Agreement and Supplemental Loan Agreement by and between the Authority and the Issuer; (viii) the net proceeds of the Bonds, together with the proceeds of grants and other moneys of the Issuer on deposit or to be simultaneously deposited and irrevocably committed therefor, will be sufficient to pay the costs of acquisition and construction of the Project as set forth in the Application submitted to the Authority as of the date of the Loan Agreement; and (ix) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project and Sources of Funds" for the Project.

WITNESS my signature on this 14th day of June, 1990.

Michael V. Lawson

Michael V. Lawson

LAWSON ENGINEERING AND TECHNICAL SERVICES

By Michael V. Lawson

06/11/90
HINTONB.V3
41455\89001

EXHIBIT A

DATE: June 14, 1990

AMENDED SCHEDULE A

NAME OF GOVERNMENTAL AGENCY: THE CITY OF HINTON

TOTAL COST OF PROJECT AND SOURCES OF FUNDS

A. Cost of Project

1.	Construction	$ 3,014,596	
2.	Technical Services	$ 549,000	
3.	Legal and Fiscal	$ 45,000	
4.	Administrative	$ 30,000	
5.	Site and Other Lands	$ 70,000	
6.	Step I and/or Step II Design or Other Loan Repayment (Specify Type: _____)	$	
7.	Interim Financing Costs	$ 81,419	
8.	Contingency	$ 165,100	
9.	Total of Lines 1 through 8		$ 3,955,115

B. Sources of Funds

10.	Federal Grants:[1] (Specify Source)	EPA	$ 1,994,300	
			$	
11.	State Grants:[1] (Specify Source)	ARC	$ 696,000	
			$	
			$	
			$	
12.	Other Grants:[1] (Specify Source)		$	
		INTEREST EARNINGS	$ 28,190	
13.	Any Other Source[2] (Specify)	FMHA	$ 668,000	
			$	
14.	Total of Lines 10 through 13			$ 3,386,490
15.	Proceeds Required from Bond Issue (Line 9 less Line 14)			$ 568,625

C. Cost of Financing

16.	Capitalized Interest (construction period plus six months)	20 MONTHS	$ 83,375	
17.	Funded Reserve Account[3]		$	
18.	Other Costs[4]	BOND COUNSEL	$ 15,000	
			$	
19.	Total Cost of Financing			$ 98,375
20.	Size of Bond Issue (Line 15 plus Total from Line 19)			$ 667,000

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD, N JERSEY 07016

FD-112C

HARRY C. SUTHERLAND
CERTIFIED PUBLIC ACCOUNTANT
P. O. BOX 735
WYTHEVILLE, VIRGINIA 24382

MEMBER
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
VIRGINIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

745 WEST LEE HIGHWAY
TELEPHONE (703) 228-7814

June 14, 1990

The City of Hinton
Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

West Virginia Water Development Authority
1201 Dunbar Avenue
Dunbar, West Virginia 25065

Ladies and Gentlemen:

Based upon the rates and charges as set forth in the ordinance of The City of Hinton finally enacted August 10, 1989, and projected operation and maintenance expenses and anticipated customer usage as furnished to me by Lawson Engineering and Technical Services, consulting engineers, it is my opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of The City of Hinton, will pay all repair, operation and maintenance expenses 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 1990 A and Series 1990 B, to be issued to West Virginia Water Development Authority, and the Sewer Revenue Bonds, Series 1990 C, to be issued to the United States Department of Agriculture, Farmers Home Administration, and all other obligations secured by or payable from the revenues of the System prior to or on a parity with such Bonds, including, without limitation, the Prior Bonds, as defined in the Ordinance authorizing issuance of the above-referenced bonds.

My opinion is based on mathematical calculations using the projected operation and maintenance expenses and anticipated customer usage figures furnished to me by Lawson Engineering and Technical Services, consulting engineers.

I have not performed an audit or review according to the standards established by the American Institute of Certified Public Accountants of the projected operation and maintenance expenses and anticipated customer usage figures furnished to me by Lawson Engineering and Technical Services, consulting engineers and, accordingly, do not express an opinion or any other form of assurance on their realization.

Very truly yours,

Harry C. Sutherland

Harry C. Sutherland
Certified Public Accountant

ALL-STATE LEGAL SUPPLY CO ONE COMMERCE DRIVE CRANFORD, N. JERSEY 07016

ED 11-2C

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]

§ 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.

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[1] 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.

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§ 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 stovepipes.*
(15) *Construction, inspection and repair of buildings, bridges, sewers, etc.*
(16) *Removal or repair of dangerous walls or structures.*
(17) *Erection of buildings.*

(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 stations, 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 annoying 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 land, in an easterly direction, including 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. & O.," 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 Bellepoint,

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 line 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 north-westerly 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. All 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 (e). 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 (f). Registration of voters.[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.)

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[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 (a). 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.[4]

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. 131.)

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 less 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 be 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 be 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, ch. 131.)

Sec. 17. Action by council upon election of ineligible person 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 lines, 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 incinerators, 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 purposes, 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.

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[5] 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 business 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 animals.

(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 regulate 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 provide 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.[6]

(68) *Territorial jurisdiction.* For all such purposes, except that of taxation, and for purposes otherwise limited 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 licenses and restrict the use of motor buses, automobiles, carriages, drays and wag-

[6] Sections 453 to 510 of Michie's West Virginia Code of 1943.

ons 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 establsh, 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 lands 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

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.*[7] The council shall have authority to license, regulate and control the operation of any pool room, ping-pong 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,

[7] 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 ordinances 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 ordinances 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-officio* 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 villages 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 privileges 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 applying 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 must 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 hall, 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,[7a] 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

[7a] 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 petition 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, reconstruction, repairing and maintenance of all local improvements, including 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, and 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 limited 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 laws, 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.

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD, N. JERSEY 07016

ED 1-90

The City of Hinton, County of Summers, to-wit:

I, James A. Leslie, Jr. having been duly elected to the office of Mayor

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. James A. Leslie Jr.

Subscribed and sworn to before the undersigned Notary Public of said County, this 15th day of May 1990

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
Cynthia S. Cooper
P.O.Box 417
Hinton, W. Va. 25951
My commission expires: 3 4 1997

Cynthia S. Cooper

28

The City of Hinton, County of Summers, to-wit:

I, Coleman Leslie having been duly elected to the office of Hinton City Council

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. Coleman Leslie

Subscribed and sworn to before the undersigned Notary Public of said County, this 15th day of May 1990.

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
Cynthia S. Cooper
P.O. Box 417
Hinton, W. Va. 25951
My commission expires 3 4 7

Cynthia S. Cooper

The City of Hinton, County of Summers, to-wit:

I, Ed Hannah having been duly elected to the office of Hinton City Council 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. Ed Hannah

Subscribed and sworn to before the undersigned Notary Public of said County, this 15th day of May 1990.

NOTARY PUBLIC OFFICIAL SEAL
STATE OF WEST VIRGINIA
Cynthia S. Cooper
P.O.Box 477
Hinton, WV 25951
My commission expires: 3-4-1997

Cynthia S. Cooper

The City of Hinton, County of Summers, to-wit:

I, Homer G. Keffer having been duly elected to the office of Hinton City Council 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. Homer G. Keffer

Subscribed and sworn to before the undersigned Notary Public of said County, this 15th day of May 1990

NOTARY PUBLIC OFFICIAL SEAL
STATE OF WEST VIRGINIA
Cynthia S. Cooper
P.O.Box 477
Hinton, WV 25951
My commission expires: 3-4-1997

Cynthia S. Cooper

The City of Hinton, County of Summers, to-wit:

I, Larry K. Meador having been duly elected to the office of Hinton City Council

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. Larry K Meador

Subscribed and sworn to before the undersigned Notary Public of said County, this 15th day of May 1990

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
Cynthia S. Cooper
P.O.Box 477
Hinton, WV 25951
My commission expires: 3 - 4 - 1997

Cynthia S. Cooper

The City of Hinton, County of Summers, to-wit:

I, Cynthia S. Cooper having been duly appointed to the office of Clerk/Recorder

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. Cynthia S Cooper

Subscribed and sworn to before the undersigned Notary Public of said County, this 11th day of June 1990

NOTARY [illegible] SEAL
[illegible]
Ruth G. [illegible]
[illegible]
H[illegible] to [illegible]
My [illegible]

Ruth G. Cingell

My Commission Expires 5/4/98

ACTS OF COUNCIL
OATH OF OFFICE
June 22, 1989
7:00 p.m.

I. Oath of Office for new Mayor and Councilmen for term beginning July 1, 1989 and expiring June 30, 1991; administered by County Prosecuting Attorney Joe Aucremanne

Summers County Prosecuting Attorney, Joseph Aucremanne administered the Oath of Office to Incumbent Mayor, James A. Leslie, Jr. Mr. Aucremanne then administered the Oath of Office to Incumbent Councilmen Coleman Leslie and Larry K. Meador and to Councilmen-elect Ed Hannah and Homer G. Keffer.

Having been duly sworn to support the Constitution of the United States and the Constitution of the state of West Virginia, to truly and faithfully perform all the duties of said office to the best of their ability and judgment, Mr. Aucremanne informed the elected officials that they were so empowered to conduct the business of the City of Hinton, effective with the term of office, July 1, 1989 through June 30, 1991.

James A. Leslie Jr.
MAYOR

Cynthia S. Cooper
CLERK/RECORDER

Note: Prosecuting Attorney Joe Aucremanne advised that he was a notary public at the time of administration of oaths.

06/08/90
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The City of Hinton, County of Summers, to-wit:

I, LARRY K. MEADOR having been duly elected to the office of Council

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 NOTARY PUBLIC Joseph Aucremanne of said County, this 22nd day of June 1989

Joseph Aucremanne

The City of Hinton, County of Summers, to-wit:

I, Edward L. Bunch having been duly elected to the office of Council

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 NOTARY PUBLIC Joseph Aucremanne of said County, this 22nd day of June 1989.

Joseph Aucremanne

The City of Hinton, County of Summers, to-wit:

I, Coleman L. Leslie having been duly elected to the office of Council

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.

NOTARY PUBLIC

Subscribed and sworn to before the undersigned Joseph Aucremanne of said County, this 22nd day of June 19 89.

The City of Hinton, County of Summers, to-wit:

James A. Leslie, Jr.

I, James A. Leslie, Jr. having been duly elected to the office of Mayor

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.

NOTARY PUBLIC

Subscribed and sworn to before the undersigned Joseph Aucremanne of said County, this 22nd day of June 19 89.

The City of Hinton, County of Summers, to-wit:

I, Homer G. Keffer ..... having been duly ..... elected .....

to the office of ... Council .....

..... 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 ..... NOTARY PUBLIC Joseph Aucremanne .....

of said County, this ..... 22nd day of ..... June ..... 1989 ..

..... Joseph Aucremanne

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD, N.J. 07016

ED 11-2C

CHAPTER 20. SEWERS AND SEWAGE DISPOSAL

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Sec. 2. Rules of Public Service Commission Apply.
Sec. 3. City not Liable for Damage.
Sec. 4. Penalty; Liability in Damages for Negligence.

Article II. Sanitary Board

Sec. 5. Established; Composition; Eligibility of City Officers an Employees; Bond of Members.
Sec. 6. Bond of Treasurer.
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Sec. 8. Officers.
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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.

(l) 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) any dimension.

(n) Public sewer: A common sewer controlled by a governmental agen or public utility, including the City Sanitary Board.

(o) Sanitary Board: The Sanitary Board of the City established pur suant to Article 13 of Chapter 16 of the West Virginia Code.

(p) Sanitary sewer: A sewer that carries liquid and water carrie wastes from residences, commercial buildings, industrial plants and institu tions, together with minor quantities of ground, storm and surface waters tha are not admitted intentionally.

(q) Sewage: The spent water of the community. The preferred term i wastewater.

(r) Sewer: A pipe or conduit that carries wastewater or drainag water.

(s) Sludge: Any discharge of water or wastewater which in concentra- tion 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 con- centration 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 nonfil- terable 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 receiv- ing 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 struc- tures 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 16-13-18, 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, 1 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. T Recorder-Treasurer shall be liable under such officer's official bond Recorder-Treasurer for all such collections; but this shall not be taken a considered as relieving the Treasurer of the Sanitary Board for any liabili upon such Treasurer's official bond as such. The Recorder-Treasurer sha perform such other duties in connection with the operation of the office the Sanitary Board as the Sanitary Board or its Chairman may from time to tin require.

Sec. 10. Superintendent and Purchasing Agent.

The Sanitary Board shall designate a Superintendent who shall hold of fice as such during the will and pleasure of the Sanitary Board and whos duties shall consist of supervision of all other employees of the Board othe than its officers, and supervision over all new construction authorized by th Board and all maintenance of existing facilities. The Superintendent shal also act as Purchasing Agent for the Sanitary Board, but such Superintendent' 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 of 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 of 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 equi table 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 th owner of each lot, parcel of real estate or building connected with or usin such sewer system. Sewer charges, based upon water consumption shall be a 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 actual 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:

$$Ci = VoVi + BoBi + SoSi$$

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 a street in which a public sewer belonging to the City has been laid or place to connect a sewer leading from such person's property or lot into such publ sewer at the nearest practicable point of connection, provided such owner h erected or constructed a building or other improvement on such property c lot, and provided such nearest point of connection shall be within 300 feet c such person's property line. If the Council shall require such owner to mak such connection, it shall require at least 10 days notice to be served upo such owner, ordering such owner to make such connection, but such owner al though so required, shall not be authorized to make such connection until suc owner shall have first obtained a written permit to make such connection i accordance with this division. If the owner of such lot or property thereupo fails or refuses to apply for and obtain such written permit, or after havin obtained such permit fails or refuses to make such connection in accordanc with this Chapter, after having been given such notice, the Council may there upon enter upon such lot and construct such sewer and may levy the actual cos thereof, including the tapping fee therefor, against the lot upon which th building or other improvement is built and collect such costs and fee from th owner of such lot in the same manner as City taxes are collected and a 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 separat 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 fro the advancement maker alone, for tapping permits along such extension o lateral line, or in the discretion of the Sanitary Board, from fees receive from the advancement maker for tappings made on any of the City sewers; but i either case no money shall actually be exchanged when a permit is issued t the advancement maker, but credit shall be made on the ledger, and the permi shall state that the "fee herefor has been immediately returned to grante hereof upon a contract of reimbursement for advancement, without deposit i City funds."

(c) No contract for the future issuance of a sewer permit shal hereafter be made, and no contract for repayment of an advancement mad 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 part 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, appliances, 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 othe flammable or explosive liquid, "solid or gas".

(e) Any water or wastes that contain more than 10 parts per 1,000,00 by weight of the following gases: hydrogen sulfide, sulphur dioxide o 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, pain residues, cannery waste bulk solids, or any other solid or viscous substanc capable of causing obstruction to the flow in sewers, or other interferenc 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 process, 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.

(l) 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 these 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 informa tion which relates to the generation of waste including wastewater discharge Such reports may also include the chemical constituents and quantity of liqui or gaseous materials stored on site even though they are not normally dis charged. In addition to discharge reports, the Sanitary Board may require in formation 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 re- quire a user of sewer services to provide information needed to determine com- pliance with this division. These requirements may include:

i) Wastewater discharge peak rate and a volume over a specifie time period;
ii) Chemical analyses of wastewater;
iii) Information on raw materials, processes and products affect- ing 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 deter- mined in accordance with the latest edition of "Standard Methods for the Ex- amination 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 con- tributing industry, if not connected to a community sewer, must obtain a Was- tewater 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 Dis- charge 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 on an es- timate of wastewater flow;
ii) Any user whose wastewater strength is less than the normal range for the user classification to which such user is as- signed 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;
iii) Wastewater constituents and characteristics including but not limited to those mentioned in section seven as deter- mined 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,

iii) 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 cause 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.

(e) 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.

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NJ 07016

ED 11-20

PETITION

The Sanitary Board of The City of Hinton hereby petitions the City Council of The City of Hinton to enact an ordinance directing that revenue bonds and (if deemed necessary by City Council) interim construction notes of the municipality be issued pursuant to the provisions of Chapter 16, Article 13 of the West Virginia Code, such bonds to be in an amount not to exceed $1,660,000 and such notes to be in an amount not to exceed $2,100,000 for the purpose of acquisition and construction of sewerage system improvements.

Directed this 15th day of May, 1990.

SANITARY BOARD OF THE CITY OF HINTON

By James A. Leslie Jr.
Chairman - Hinton Sanitary Board

05/14/90
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ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, N. ASEY 07016

ED 11-2C

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, May 29, and June 5, 1990

THE PRINTERS FEE THEREFORE IN $52.50

Given under my hand this 8 day of June, 19 90

Publisher

State of West Virginia)
County of Summers) to wit:

Subscribed and sworn to before me this 8 day of June, 19 90

My Commission expires January 17, 1995

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 Cedar Ave., Hinton WV 25951
My commission expires: 1-17-95

Nellie M. Robertson
Notary Public

COPY OF PUBLICATION FROM THE HINTON NEWS

LEGAL NOTICE

THE CITY OF HINTON NOTICE OF PUBLIC HEARING ON SEWERAGE SYSTEM BOND AND NOTES ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a special meeting of the Council of The City of Hinton to be held on June 12, 1990, at 7:30 p.m. in the Council chambers at the Hinton City Hall, and at such hearing any person interested may appear before the City Council and present protests and all objections and suggestions shall be heard by the Council and it shall then take such action as it shall deem proper in the premises upon an 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 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; AUTHORIZATING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance was adopted by the Council of The City of Hinton on May 22, 1990.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bond and Note issues contemplated thereby. The City of Hinton contemplates the issuance of the Bonds and Notes described in the Ordinance. The proceeds of the Bonds will be used to provide permanent financing of a portion of the costs of acquisition and construction 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 of The City of Hinton (the "Project") not otherwise provided for. The Bonds will be payable solely from revenues to be derived from the ownership and operation of the sewerage system of the City. Proceeds of the Notes will be used to provide temporary financing of a portion of such costs. The Notes will be payable solely from grant receipts, bond proceeds, notes proceeds, certain letter of credit proceeds or bond proceeds, notes proceeds, certain letter of credit proceeds or revenues of such sewerage system. No taxes may at any time be levied for the payment of the Bonds of the Notes or the interest thereon.

A certified copy of the above-entitled Ordinance is on file at the office of the Recorder of The City of Hinton for review by interested parties during regular office hours.

Following said public hearing, the City Council intends to enact said Ordiance upon final reading.

Dated: May 22, 1990
s/s James A. Leslie, Jr.
Mayor
HN May 29, June 5

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD, N.J. 07016

ACTS OF COUNCIL
Special Session
August 10, 1989
7:00 p.m.

I. Roll Call:

All members present with the exception of Mayor Leslie who was attending the annual West Virginia Municipal League Conference.

II. 2nd Reading and Adoption of Ordinance to update WasteWater Treatment rate schedule to coincide with future opening of new plant:

Councilman Meador moved to disperse with the actual reading of the Ordinance to update WasteWater Treatment rate schedul to coincide with future opening of new plant; seconded by Councilman Hannah. The motion was unanimously approved 4 - 0.

Councilman Leslie moved to adopt the Ordinance to update WasteWater Treatment rate schedule to coincide with future opening of new plant; seconded by Councilman Hannah. The motion was unanimously approved 4 - 0.

AN ORDINACE ESTABLISHING AND FIXING RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF HINTON AND AMENDING CHAPTER 20, ARTICLE III, SECTIONS 21(a) AND 22 OF THE CODE OF THE CITY OF HINTON

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HINTON AND THE COUNCIL OF THE CITY OF HINTON HEREBY ORDAINS: The following schedule of rates, fees and charges are hereby fixed and determined as the rates, fees and charges to be charged to customers of the sewerage system of The City of Hinton throughout the territory served, inside and outside the corporate limits of The City of Hinton, and Chapter 20, Article III, Sections 21(a) and 22 of the Code of The City of Hinton are hereby amended and reenacted to provide as hereafter set forth.

SECTION 1. SCHEDULE OF RATES AND CHARGES

Chapter 20, Article III, Sections 21(a) and 22 of the Code of The City of Hinton are hereby amended and reenacted to provide as follows:

Sec. 21. Schedules for Service Inside City.

(a) Monthly rates and charges; There is established a schedule of just and equitable rates and charges, exclusive of industrial waste charges, for the use of, and service rendered by, the municipal sewer system of the City which shall be paid by the owner of each lot, parcel of real estate or building connected with or using such sewer system. Sewer rates and charges, based upon water consumption, shall be as follows:

For each 1,000 gallons of usage, the rate is $4.00
The minimum monthly charge is $8.00

Sec. 22. Rates Outside the City.

The rates and charges set forth in this Chapter shall apply to all users of the municipal sewer system within the City, and the rates and 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 and charges provided in such Chapter, unless otherwise provided.

SECTION 2. EFFECTIVE DATE

The rates, fees and charges provided herein shall be effective September 1, 1991, which date is not less than 45 days after the enactment hereof.

SECTION 3. SEPARABILITY: REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof be held void or unenforceable by any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby repealed; and to the extent that the provisions of this Ordinance do no touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect. Except as expressly amended hereby, Chapter 20 of the Code of The City of Hinton shall remain in full force and effect, and, to the extent not amended by this Ordinance, is hereby ratified and confirmed.

SECTION 4. STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the Clerk/Recorder shall publish a copy of this Ordinance and notice once a week for 2 seccessive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in The Hinton News, being the only newspaper published and of general circulation in The City of Hinton, West Virginia, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council on the 3rd day of August, 1989 at 7:30 p.m., which date is not less than 10 days subsequent to the date of the first publication of the Ordinance and notice, and present protests and be heard concerning the proposed rates and charges. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises.

III. Adjournment:

Motion was made by Councilman Meador for adjournment; seconded by Councilman Hannah.

James A. Leslie, Jr.
MAYOR

Cynthia S. Cooper
CLERK/RECORDER

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD NEW JERSEY 07016

ED 11-2C

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, July 25, and August 1, 1989

THE PRINTERS FEE THEREFORE in $87.50

Given under my hand this 16 day of August, 19 89

Publisher

State of West Virginia)
County of Summers) to wit:

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 Cedar Ave., Hinton, WV 25951
My commission expires: 1-17-95

Subscribed and sworn to before me this 16 day of August, 19 89

My Commission expires January 17, 1995

Nellie M. Robertson
Notary Public

COPY OF PUBLICATION
From The Hinton News.

33

LEGAL NOTICE
NOTICE OF PUBLIC HEARING

AN ORDIANCE ESTABLISHING AND FIXING RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF HINTON AND AMENDING CHAPTER 20, ARTICLE III, SECTIONS 21 (a) AND 22 OF THE CODE OF THE CITY OF HINTON

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The provisions of this Ordinance are separable, and if any clause, provision or section hereof be held void or unenforceable by any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflcits, hereby repealed; and to the extent that the provisions of this Ordinance do not touch upon the provisions of prior ordinances, resolutions, orders of parts thereof, the same shall remain in full force and effect. Except as expressly amended hereby, Chapter 20 of the Code of The City of Hinton shall remain in full force and effect and to the extent not amended by this Ordinance, is hereby ratified and confirmed.

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The above Ordinance has been introduced at a meeting of the Council held July 20, 1989. Any person interested may appear before Council on the 3rd day of August, 1989, at 7:30 p.m. , and present protests and be heard concerning the proposed rates and charges.

Cindy Cooper
Clerk - Recorder
HN July 25, Aug. 1

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NEW JERSEY 07016

FD 11-2C

ACTS OF COUNCIL
Regular Meeting
July 20, 1989
7:30 p.m.

I. Roll Call:

All members present with Councilman Meador arriving late.

II. Devotions:

Opening prayer by Jerry Dotson, pastor of 1st United Methodist Church.

III. Delegations:

Carolyn Cooper, representing Green Sulphur Springs District Rescue Squad, approached Council requesting use of the Municipal Parking Lot, located next to City Hall, on Sunday, August 6, 1989 from 2:00 p.m. until evening for the purpose of conducting "Bossie Bingo". Ms. Cooper advised that chalk would be used on the asphalt pavement, making clean-up easy with water from a fire truck; all debris would be removed.

Councilman Keffer moved to approve the request to use the Municipal Parking Lot; seconded by Councilman Leslie. The motion was unanimously approved 4 - 0.

Tom Clinebell and Jimmy Sampson, representing the West Virginia Water Festival, approached Council in regard to blocking off Second Avenue from Ballengee Street to James Street in order to have a carnival area and provide temporary "vendor power" for the participants during the week of August 2 - 6, 1989. Mr. Clinebell requested that the city furnish the electricity for this event, flow of electricity only, not installation of power boxes.

Councilman Hannah moved to approve the request from the West Virginia Water Festival; seconded by Councilman Keffer. The motion was unanimously approved 4 - 0.

Chief of Police, John Plumley advised that Jack Harvey had approached him in regard to putting the Hinton Band Wagon in front of Tots & Teens during the Water Festival and, thereby, "plug" into the city's traffic light box. Chief Plumley stated that it was not a good idea to hook anything into the traffic light box due to its sensitivity.

Mayor Leslie stated that this was outside the area designated by council for use by the West Virginia Water Festival for a carnival area; the Water Festival only has authority over the area as just designated on 2nd Avenue by Council.

IV. Approval of Minutes:

Councilman Leslie moved to approve the minutes of June 22, 1989 Oath of Office; June 22, 1989 Regular Meeting and the July 3, 1989 Special Organizational Meeting; seconded by Councilman Hannah. The motion was approved with Councilman Keffer and Hannah abstaining on the June 22, 1989 regular meeting due to the fact that neither Councilman was serving their term of office during June.

V. Citizen Input:

None.

VI. New Business:

A. Approval of Building/Sign Permits

Mayor Leslie recommended approval of the Hinton Historic Landmarks Commission Building Permit, projects #14 through #22; also, approval on requests for building permits outside the Historic District.

ACTS OF COUNCIL
Regular Meeting
July 20, 1989
7:30 p.m.

I. Roll Call:

All members present with Councilman Meador arriving late.

II. Devotions:

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V. Citizen Input:

None.

VI. New Business:

A. Approval of Building/Sign Permits

Mayor Leslie recommended approval of the Hinton Historic Landmarks Commission Building Permit, projects #14 through #22; also, approval on requests for building permits outside the Historic District.

Councilman Leslie moved to approve the Mayor's recommendation; seconded by Councilman Keffer. The motion was unanimously approved 4 - 0. The approved building permits are on file for public review at the Clerk/Recorder's office.

B. Approval of Parade Permits and Door-to-Door Solicitation Permits

Becky Thompson submitted a request for a parade permit for the West Virginia Water Festival. Ray Pivont submitted a request for a parade permit for the Hinton Firemens Parade.

Councilman Leslie moved to approve the two parade permits; seconded by Councilman Keffer. The motion was unanimously approved 4 - 0.

West Virginia Army National Guard presented a request to participate in the West Virginia Water Festival parade with as many wheel and track vehicles as possible.

Councilman Keffer advised that he personally went to the National Guard Armory and discussed the potential damage to the streets that a track vehicle could do and, upon inspection, found that these vehicles are equipped with rubber street pads which cause no damage to the streets.

Councilman Keffer moved to approve the request from the National Guard Armory; seconded by Councilman Leslie. The motion was unanimously approved 4 - 0.

Councilman Meador arrived at this time.

There were two (2) door-to-door solicitation requests submitted by "Friends for Veterans" and "Disabled American Veterans", Chapter 30.

Councilman Leslie moved to approve the two (2) requested door-to-door solicitation permits; seconded by Councilman Keffer. The motion was unanimously approved.

Parade permits and door-to-door solicitation permits are on file at the Clerk/Recorder's office for public review.

C. Approval of June, 1989 Invoices Paid

GENERAL FUND

Adkins, Harold	contract labor	$ 1,218.00
Adkins, Mary	poll worker	40.00
Allman, Rosemary	poll worker	50.00
Ames	tapes/cleaning supplies	92.80
Blankenship, Basil	poll worker	40.00
Board of Risk & Ins. Management	liability premium	4,449.00
Boone, Ray	contract labor	834.15
Bridge St. Ashland	misc. repairs	111.08
C & P Telephone	telephone service	840.96
Cavalier Equipment	interest on dumpsters	252.08
Comer, Louise	poll worker	40.00
Cook Auto Supply	misc. auto parts	215.23
Dept. Empl. Security	benefits paid	1,921.84
1st Nat'l Bank of Hinton	employer matching FICA	2,057.15
Foley Printing	letterheads/envelopes	241.00
Garten, Walter	mowing Towne Square	50.00
Gore, Marian	poll worker	40.00
Graham, Glenn	poll worker	40.00
Grimmett, Delma	poll worker	40.00
Gunnoe, Karla	travel expense	194.30
Hinton Chain Saw Serv.	weed trimmer	329.00
Hinton Hardware	ballcock	6.60
Holiday Inn, Charleston	Main Street Conference	429.73
Humphries, Jane	poll worker	40.00
Humphries, Mary	poll worker	40.00
IJ Institutional Foods	trash can liners	86.80
Lambert, Dorothy	poll worker	40.00
Lilly, Mary	poll worker	40.00
Mann, Sharon	poll worker	40.00

Martin, Elizabeth	poll worker	40.00
McGuire, Ruth	poll worker	40.00
Meador, William	ballot commissioner	40.00
Meadows, Nita	poll worker	40.00
Messers Studio	misc. photos	431.00
Miller, Gary	repairs to meters	50.00
Miller, Judy	poll worker	50.00
Pack, Ron	mowing Triangle Park	75.00
Pack, Steve	emergency service director	100.00
Pitney Bowes	copier/postage meter	950.20
Plumley, John	reimb. for paint	9.51
Plumley, Nellie	poll worker	40.00
Region I PDC	participation fee '89	786.62
Saunders, Charles	poll worker	50.00
Saunders, Enola	poll worker	40.00
Summers Co. Council on Aging	levy allocation	4,000.00
Summers Co. Library	1/2 levy allocation	2,000.00
Sweeney, Alma	poll worker	40.00
Thomas, Ed	travel expense	15.20
Turner, Drema	poll worker	40.00
Turner, Lena	poll worker	50.00
Ward, Jack	ballot commissioner	40.00
Ward, Mike	prescription	9.53
Wait, Virginia	poll worker	40.00
WV American Water Co.	utility service	2,575.34
WV Public Empl. Ins.	50% premium	1,276.84
WV Public Empl. Ret.	9.5% contribution	2,037.95
Wheeler, Jerry	dog warden	250.00
Willey, Katherine	poll worker	40.00
Williams, J. K.	reimb. for chrome	55.54
Workers' Comp. Fund	reinstatement payment	300.00
Wynes, Micheal	reimb. for tolls	6.00
Young, Helen	poll worker	50.00
Zep Manufacturing	misc. materials	106.07
		$29,494.52

COAL SEVERANCE FUND

Leslie, James A.	travel expense	$ 214.26
Ziegler & Gunnoe	legal expense	820.00
		$ 1,034.26

SMALL CITIES BLOCK GRANT

Bluegrass Electric	electrical supplies	$ 751.07
Farmer Contracting	electrician	2,533.41
Honaker Lumber Co.	materials	186.13
Princeton Ready-Mix	class A concrete	1,352.00
		$ 4,822.61

BUILDING COMMISSION FUND

C & P Telephone	telephone service	$ 59.93
City of Hinton	payroll & matching	6,145.84
Coca Cola Company	fountain drinks	533.20
Deeds, Richard	hauling kitchen equip.	100.00
F & R Supply	landscaping cloth	67.96
Giovanni's Pizza	purchased for resale	2,065.14
Hellems Cash Store	24 cases of gaterade	205.20
IJ Institutional Foods	food for resale	2,101.18
Shammaa Children	Towne Square payments	607.38
		$11,885.83

Motion was made by Councilman Leslie and seconded by Councilman Meador that the June, 1989 invoices be approved for payment, as submitted. The motion was approved 3 - 0 with Councilmen Keffer and Hannah abstaining.

D. Approval of June, 1989 Financial Statement

Mayor and Council were presented with a computer print-out of the monthly revenues and expenditures for June, 1989. The print-out reflected line item account transactions for both revenue and expenditure, by

department. The June, 1989 Financial Statement, summarized\below, is available in the Clerk/Recorder's office in computer print-out form to the general public.

GENERAL FUND

Revenue:		$ 33,645.34
Expenditure:	General	$ 29,494.52
	Gross Payroll	$ 41,734.10

COAL SEVERANCE FUND

Revenue:	$ 2,538.58
Expenditures:	$ 1,034.26

SMALL CITIES BLOCK GRANT

Revenue:	$ 8,826.82
Expenditures:	$ 4,822.61

BUILDING COMMISSION FUND

Revenue:	$ 9,762.42
Expenditures:	$ 11,885.83

SUMMARY

Revenue:	$ 54,773.16
Expenditures:	$ 88,971.32

Motion was made by Councilman Leslie and seconded by Councilman Meador to approve the June, 1989 Financial Statement, as presented. The motion was approved 3 - 0 with Councilmen Keffer and Hannah abstaining.

E. 2nd Reading and Final adoption of Ordinance: Chapter 34; Yard Sales

Councilman Leslie moved to disperse with the 2nd Reading of the Ordinance for Yard Sales; seconded by Councilman Meador. The motion was unanimously approved.

Councilman Leslie moved for final adoption of the Ordinance: Chapter 34, Yard Sales; seconded by Councilman Meador. The motion was unanimously approved.

F. Consideration of Increase in Refuse Rates due to Increase in Dumping Fees at Landfill

Mayor Leslie recommended that, in conformity with West Virginia Code 6-9A-4(9), Council hold an executive session. The executive session would be held at the same time as the executive session under agenda item IX, Personnel.

Councilman Meador moved to approve the Mayor's recommendation; seconded by Councilman Leslie. The motion was approved unanimously.

Mayor Leslie reported that, due to new state laws governing landfills, dumping fees have doubled. Mayor Leslie also stated that he talked with landfill owners at Bozoo, West Virginia and they quoted a rate of $55 per ton. Mercer County Sanitary Landfill notified all customers of the following increase in dumping fees:

June 12, 1989

Effective June 30, and July 1, 1989, the disposal rates at the Mercer County Sanitary Landfill will increase for commercial haulers, municipalities and all other non-residential customers. The disposal fee will reflect the following changes:

	Current Charges	Charges Effective 06-30-89	Charges Effective 07-01-89
Landfill Fee	$7.00/ton	$27.25/ton	$27.25/ton
State Assessment Fee	$1.25/ton	$ 1.25/ton	$ 2.25/ton
County Fee	$ .50/ton	$ .50/ton	$ .50/ton
TOTAL	$8.25/ton	$29.00/ton	$30.00/ton

The Mercer County Solid Waste Authority will meet on Thursday, June 15, 1989, at 7:00 p.m. at the Mercer County Courthouse in the Mercer County Commission's Courtroom. Anyone interested in asking questions about these new rates is invited to attend.

Sincerely,

/signed/
L. E. Joyce,Jr., P. E.
Manager

Mayor Leslie recommended approval of an increase in dumping fees for all customers, residential and business, of $20 per year effective July 1, 1989.

Councilman Hannah moved to approved the Mayor's recommendation; seconded by Councilman Keffer. The motion was unanimously approved.

G. 1st Reading of Ordinance to Correct B & O Tax Rates for Public Utility

Mayor Leslie conducted the 1st Reading of the Ordinance to correct Business and Occupation tax rates for public utility which would increase public utilities only from the current rate of $2/$100 to $4/$100 and upon final adoption, delete the Privilege Tax Ordinance. This revision is necessary to conform with state law.

Councilman Leslie moved to approve the 1st Reading of the Ordinance to correct Business and Occupation Tax rates for public utility; seconded by Councilman Keffer. The motion was approved 4 - 0 with Councilman Meador abstaining from vote.

H. 1st Reading of Ordinance to update WasteWater Treatment rate schedule to coincide with future opening of new plant

Mayor Leslie conducted the 1st Reading of the Ordinance establishing fixed rates, fees and charges for service to customers of the sewerage system of the City of Hinton and amending Chapter 20, Article III, Section 21(a) and Section 22 of the Code of the City of Hinton.

Councilman Meador moved to approve the 1st reading of the Ordinance; seconded by Councilman Leslie. The motion was unanimously approved.

I. Resignation and Appointment of Hinton Historic Landmark Commission

Fred Long, representing the Hinton Historic Landmark Commission, recommended the acceptance of the resignation of David Quisenberry as a member of the Commission and the appointment of Steve Pack to fill the vacancy.

Councilman Meador move[illegible] [illegible]ove Fred Long[illegible] [illegible]enda-

tion; seconded by Councilman Hannah. The motion was unanimously approved.

Mr. Long also requested funding in the amount of $130. to send a group of three or more members to a Main Street Design meeting. Mr. Long advised that he wanted as many members as possible to go, paying for their own lodging.

Mayor Leslie recommended approval on the request for $130.

Councilman Meador moved to approve the Mayor's recommendation; seconded by Councilman Leslie. The motion was unanimously approved.

Fred Long proposed installation of four (4) boundary markers for the Hinton Historic District be placed at the following locations:

1) Memorial Building
2) New River Bridge
3) Riverview School
4) Sixth Avenue and Summers Street

Mr. Long advised that the Federal Prison could produce the signs and the only expense that the city would incur is the labor needed to install the signs.

Mr. Long advised that the Hinton Historic Landmark Commission was in the process of working on three (3) grants:

1) Department of Culture & History ($600)
2) FY '89 Survey and Planning ($4,000)
3) CLG for approximately $10,000

Councilman Meador moved to approve the Hinton Historic Landmark Commission membership into the Southern West Virginia Convention and Visitors Bureau; seconded by Councilman Hannah. The motion was unanimously approved.

J. Appointment of Firemen's Civil Service Commission

This item was tabled; no action was taken.

VII. Reports:

A. City Sidetrack Park

Mayor Leslie reported that he had received very favorable comments on the 1969 Hinton High School Reunion held at City Sidetrack Park and acknowledged Park Manager, Mary Alice Grimmett for her hard work.

Mayor and Council acknowledged revenues for the month of June, 1989 at City Sidetrack Park as: $ 9,762.42

B. "Capital for a Day" program of Governor Caperton

Mayor Leslie reported that Governor Gaston Caperton has announced three cities chosen as "Capital for a Day" visits, in which the Capitol will be brought to that city for a day. Wheeling, New Martinsburg and Bluefield were the cities chosen. Governor Caperton will be visiting surrounding areas when visiting the chosen cities. On July 27, 1989 at 12:00 noon the Governor will be visiting Hinton for a box luncheon held on Cantrell's Island. At least three of the 'Super Secretaries' will be accompanying the Governor.

C. Utilization of former Cox's Department Store Building

Mayor Leslie recommended that, in conformity with West Virginia Code 6-9A-4(9), Council hold an executive session. The executive session would be held at the same time as the executive session under agenda item IX, Personnel.

Councilman Meador moved to approve the Mayor's recommendation; seconded by Councilman Leslie. The motion was

unanimously approved.

Mayor and Council discussed at length the opening of "The Crafters Gallery" and a Railroad Museum at the former Cox's Building to be opened by November 1, 1989.

D. Physical Fitness Trail Equipment

Mayor Leslie reported the installation by city crews of the physical fitness trail equipment at Bluestone Dam Park had been completed.

E. Department Heads

Chief of Police, John Plumley introduced to Mayor and Council the two new patrolmen, Officer Fred Moody and Officer Bruce McCallister.

Assistant Fire Chief, Eddie Willey was in attendance.

VIII. Discussions:

A. Dates of Next Meetings

There will be a public meeting held August 3, 1989 at 7:30 p.m. in regard to sewerage rates, fees and charges.

There will be a special meeting of Council on August 10, 1989 at 7:00 p.m. to conduct the 2nd Reading and Final Adoption of the Ordinance for new, revised sewerage rates, fees and charges.

The regular meeting of Hinton City Council is scheduled for August 15, 1989 at 7:30 p.m.

IX. Personnel:

A. Resignations

None.

B. Employments

Mayor Leslie recommended the approval of the 90-day appointment of Bruce McCallister as patrolman at a pay rate of $5.19 per hour, effective June 25, 1989.

Councilman Leslie moved to approve the Mayor's recommendation; seconded by Councilman Hannah. The motion was unanimously approved.

Mayor Leslie recommended hiring Dale Starks as part-time Fireman/Dispatcher at a pay rate of $6.07 per hour to work vacations and sick leave only.

Councilman Leslie moved to approve the Mayor's recommendation; seconded by Councilman Meador. The motion was unanimously approved.

In conformity with West Virginia Code 6-9A-4(2), Mayor Leslie recommended that council hold an executive session.

Councilman Meador moved to approve the Mayor's recommendation; seconded by Councilman Leslie. The motion was unanimously approved.

(Refer to Agenda items VI-F and VII-C)

Mayor Leslie reconvened the regular meeting from executive session.

C. Police Civil Service Eligibility List

Mayor Leslie recommended that the Hinton Police Civil Service Board give another entrance level eligibility exam.

Councilman Leslie moved to approve the Mayor's recommendation; seconded by Councilma[illegible]ah. The mot[illegible] was

unanimously approved.

X. Adjournment:

Councilman Meador moved to adjourn; seconded by Councilman Leslie. The regular meeting of Hinton City Council stood adjourned at 10:05 p.m.

James A. Leslie, Jr.
MAYOR

Cynthia S. Cooper
CLERK/RECORDER

ACTS OF COUNCIL
Public Hearing
August 3, 1989
7:30 p.m.

I. Roll Call:

All members present.

Attorney David Ziegler was in attendance as legal counsel, representing the law firm of Ziegler & Gunnoe.

II. The purpose of the Public Hearing is to receive citizen input regarding an ordinance establishing and fixing rates, fees and charges for service to customers of the sewerage system of the City of Hinton, thereby amending Chapter 20, Article III, Sections 21(a) and 22 of the Code of the City of Hinton.

No citizens were in attendance.

There will be a special meeting Thursday, August 10, 1989 at 7:00 p.m. for the purpose of conducting the 2nd reading and final adoption of the above-mentioned ordinance.

III. Adjournment:

Since no citizens were in attendance, Mayor Leslie declared the public hearing adjourned.

James A. Leslie Jr.
MAYOR

Cynthia S. Cooper
CLERK/RECORDER

34B

ACTS OF COUNCIL
Special Meeting
August 10, 1989
7:00 p.m.

I. Roll Call:

All members were present with the exception of Mayor Leslie who was attending a West Virginia Municipal League Conference in Parkersburg, West Virginia.

II. The purpose of the special meeting is to conduct the 2nd reading and final adoption of an ordinance establishing and fixing rates, fees and charges for services to customers of the sewerage system of the City of Hinton, thereby amending Chapter 20, Article III, Section 21(a) and Section 22 of the Code of the City of Hinton.

President of Council, Gene Keffer, called the special meeting to order.

Councilman Meador moved to disperse with the actual reading of the ordinance; seconded by Councilman Hannah. The motion was unanimously approved 4 - 0.

Motion was made by Councilman Leslie for approval and final adoption of the ordinance establishing and fixing rates, fees and charges for service to customers of the sewerage system of the City of Hinton and amending Chapter 20, Article III, Section 21(a) and Section 22 of the Code of the City of Hinton; seconded by Councilman Hannah. The motion was unanimously approved 4 - 0.

The ordinance, as approved, is as follows:

AN ORDINANCE ESTABLISHING AND FIXING RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE CITY OF HINTON AND AMENDING CHAPTER 20, ARTICLE III, SECTION 21(a) AND SECTION 22 OF THE CODE OF THE CITY OF HINTON

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HINTON AND THE COUNCIL OF THE CITY OF HINTON HEREBY ORDAINS: The following schedule of rates, fees and charges to be charged to customers of the sewerage system of the City of Hinton throughout the territory served, inside and outside the corporate limits of The City of Hinton, and Chapter 20, Article III, Section 21(a) and Section 22 of the Code of The City of Hinton are hereby amended and reenacted to provide as hereafter set forth.

SECTION 1. SCHEDULE OF RATES AND CHARGES

Chapter 20, Article III, Sections 21(a) and 22 of the Code of The City of Hinton are hereby amended and reenacted to provide as follows:

Sec. 21. Schedules for Service Inside City

(a) Monthly rates and charges: There is established a schedule of just and equitable rates and charges, exclusive of industrial waste charges, for the use of, and service rendered by, the municipal sewer system of the City which shall be paid by the owner of each lot, parcel of real estate or building connected with or using such sewer system. Sewer rates and charges, based upon water consumption, shall be as follows:

For each 1,000 gallons of usage, the rate is $4.00
The minimum monthly charge is $8.00

Sec. 22. Rates Outside the City.

The rates and charges set forth in this Chapter shall apply to all users of the municipal sewer system within the

located outside the City whose premises are connected with the interceptor lines of the system, or otherwise, shall be the same as the rates and charges provided in such Chapter, unless otherwise provided.

SECTION 2. EFFECTIVE DATE

The rates, fees and charges provided herein shall be effective September 1, 1991, which date is not less than 45 days after the enactment hereof.

SECTION 3. SEPARABILITY: REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof be held void or unenforceable by any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby repealed; and to the extent that the provisions of this Ordinance do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect. Except as expressly amended hereby, Chapter 20 of the Code of The City of Hinton shall remain in full force and effect, and, to the extent not amended by this Ordinance, is hereby ratified and confirmed.

SECTION 4. STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the Clerk/Recorder shall publish a copy of this Ordinance and notice once a week for two (2) successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in The Hinton News, being the only newspaper published and of general circulation in The City of Hinton, West Virginia, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council on the 3rd day of August, 1989, at 7:30 p.m., which date is not less than 10 days subsequent to the date of the first publication of the Ordinance and notice, and present protests and be heard concerning the proposed rates and charges. At such hearing all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises.

III. Adjournment:

Motion was made by Councilman Meador for adjournment; seconded by Councilman Hannah. The special meeting was adjourned.

H. G. Keffer
PRESIDENT OF COUNCIL

Cynthia S. Cooper
CLERK/RECORDER

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016

ED 11-2C

ACTS OF COUNCIL
Regular Meeting
Tuesday, May 15, 1990
7:30 p.m.

I. Roll Call:

All members present.

II. Devotions:

Opening prayer by Councilman Ed Hannah.

III. Delegations:

Pearl Ballard, Maxine Williams and Joyce Anderson approached Council in regard to installing a streetlight between 5th and 6th Avenue on Temple Street. Ms. Anderson explained that, since this light had been removed, there was absolute darkness in this area.

Councilman Keffer advised that he was aware of the problem and moved to have the streetlight between 5th and 6th Avenue on Temple Street installed; seconded by Councilman Leslie. The motion was unanimously approved.

IV. Approval of Minutes:

Councilman Meador moved to approve the minutes of the April 17, 1990 Regular Meeting and the April 19, 1990 Special Meeting (SCBG); seconded by Councilman Leslie. The motion was unanimously approved.

V. Citizen Input:

None.

VI: New Business:

A. Adoption of City "Sunshine Law" Regulations

Councilman Meador moved to adopt the following City Sunshine Law Regulation; seconded by Councilman Leslie. The motion was unanimously approved.

City "Sunshine Law" Regulation

"Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code, the Council of the City of Hinton does hereby adopt the following rules to make available, in advance, the time and place of all regularly scheduled meetings of the Council, and the time, place and purpose of all special meetings of the Council to the public and news media:

1. A notice shall be posted by the Recorder at the front door of the City Hall stating the time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. If a particular regularly scheduled meeting is canceled, a notice of such cancellation shall be posted at the front door of the City Hall.

2. A notice shall be posted by the Recorder at the front door of the City Hall at least two days before a special meeting is to be held, stating the 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 front door of the City Hall.

B. Approval of Building/Sign Permits

Mayor Leslie recommended that Council reject the recommendation of the Hinton Historic Landmark Commission on building permit # 60.

Councilman Leslie moved to reject Hinton Historic Landmark Commission Building Permit # 60 as recommended by Mayor Leslie; seconded by Councilman Meador. The motion was unanimously approved.

Councilman Leslie moved to approve Hinton Historic Landmark Commissions recommended building permits #'s 57, 58, 59, 64, 66, 68 and 69 along with the building permits presented from outside the Historic District; seconded by Councilman Meador. The motion was unanimously approved.

C. Approval of April, 1990 Invoices Paid

GENERAL FUND

AIS Fire & Safety	recharge fire extg.	$ 38.00
Adams Computer Software	programming U/B change	360.00
Adkins, Danny	mowing Towne Square	30.00
Ames Dept. Store	paint/tapes/misc.	78.34
BJW Printing	misc. printing/supplies	371.86
Bennett, Robert	trimming tree on 4th	150.00
Bluestone Paving	asphalt	130.00
Boley, Dorothy J.	travel expense	45.70
Bridge St. Ashland	misc. repairs	24.50
C & P Telephone	telephone service	939.97
Cargill Salt Div.	deicing salt	1,048.57
Chase Manhattan Serv.	communication equip.	262.74
Chrysler Capitol	cruiser payment	743.33
Concord College	work-study student	10.66
Dayton Legal Blank	dog tax receipts	156.75
Duncan Industries	meter repairs parts	1,747.73
1st Nat'l Bank of Hinton	waterslide payments	2,005.50
1st Nat'l Bank of Hinton	employer FICA @ 7.65%	1,419.75
Foley Printing	letterhead	75.00
Gall's Inc.	strobe light for cruiser	1,442.61
Halsen Products	street signs	490.00
Hinton Auto Parts	misc. auto parts	192.59
Hinton Hardware	gasket	79.91
Hinton News	publications	222.50
Honaker Lumber Co.	misc. material	409.28
IPMA	police officers tests	230.00
Jarrell's Exxon	4 mount/balance	28.00
Kroger Company	dog food & misc.	448.19
Lawrence, Richard	travel expense	10.46
Lease Acceptance Corp.	renewal agreement	294.64
Meadows, Harry	laying tile	60.00
Mercer Co. Landfill	dumping fee	225.92
Michie Company	WV Code supplement	226.81
Mike's Towing	repairs	15.58
Miller, Gary	repairs to meters	50.00
NCR Credit Corp.	I-Tower/Processor pmt.	1,329.84
Nat'l Bank of Summers	waterslide payments	1,953.87
Nat'l Trust/Hist Prev.	exemption fee	495.00
Pack, Ron	mowing Triangle Park	50.00
Pack, Steve	emergency service Dir.	100.00
Pitney Bowes	supplies	156.82
Plumley, John	shoes	45.99
Raleigh Hardware	valve	75.99
Safety-Kleen	machine cleaning	62.25
Summers Co. Library	1/2 1990 levy	2,000.00
Two-Way Radio	misc. repairs/purchases	354.29
WV Public Empl. Ins.	50% premium	1,658.49
WV Public Empl. Ret.	9.5% contribution	1,794.60
WV Treasury	CVR-LET & jail fee	75.00
WV Uniforms	misc. uniforms	1,053.25
WV Worker's Comp.	premium due	270.86
Western Auto	misc. material	71.05
Wheeler, Jerry	dog warden (2 months)	500.00
		$26,112.19

SMALL CITIES BLOCK GRANT

Acme Limestone	#67 gravel	$ 631.09
Blue Cupboard Antiques	restoration fee	3,240.75
Greenbrier Nursery	22 Bradford Pear trees	3,000.00
Honaker Lumber Co.	misc. materials	62.82
Mercer Co. Landfill	dumping fee	5.83
VISCO	13 lampposts/luminaries	14,149.20
		$21,089.69

Motion was made by Councilman Leslie and seconded by Councilman Keffer to approve the April, 1990 invoices paid, as presented. The motion was unanimously approved.

D. Approval of the April, 1990 Financial Statement

Mayor and Council were presented with a computer print-out of the monthly revenues and expenditures for April, 1990. The print-out reflected line item account transactions for both revenue and expenditure, by department. The April, 1990 Financial Statement, summarized below, is available in the Clerk/Recorder's Office in computer print-out form to the general public.

GENERAL FUND

Revenue:		$ 88,790.33
Expenditures:	General	$ 26,112.19
	Gross Payroll	$ 19,429.94

COAL SEVERANCE FUND

Revenue:	$ 2,256.22
Expenditures:	$ -0-

SMALL CITIES BLOCK GRANT

Revenue:	$ 18,820.09
Expenditures:	$ 21,089.69

SUMMARY

Revenue:	$ 109,866.64
Expenditures:	$ 66,631.82

Motion was made by Councilman Leslie and seconded by Councilman Hannah to approve the 1990 Financial Statement, as presented. The motion was unanimously approved.

E. Approval of Escrow Resolution with West Virginia Municipal Bond Commission for Hinton 1960 Sewer

Councilman Meador moved to approve the Escrow Resolution with the West Virginia Municipal Bond Commission for Hinton 1960 Sewer; seconded by Councilman Leslie. The motion was unanimously approved.

ESCROW RESOLUTION

WHEREAS, the City of Hinton has heretofore issued its Sewer Revenue Bonds in the aggregate principal amount of $720,000. dated October 1, 1960 (the "Bonds"), for the purpose of construction of improvements and extensions to the existing sewerage system of Summers County, West Virginia;

WHEREAS, as of the date hereof there remains outstanding $346,000. principal amount of the Bonds, plus interest to accrue thereon to the final maturity thereof; and

WHEREAS, the City of Hinton now wishes to defease the Bonds presently outstanding by providing irrevocably for the payment of all remaining principal and interest thereon for the beneficial interest of the respective holder(s) of such Bonds:

NOW, THEREFORE, by a majority vote of its City Council, the City of Hinton does hereby authorize and direct the West Virginia Municipal Bond Commission, fiscal agent for the Bonds, to purchase or cause to be purchased the following United States Government securities which will provide for all future principal and interest payments on the Bonds:

Principal Amount	Description	Maturity
$ 34,000	U. S. Treasury 0% Strips	Aug 15, 1990
8,000	U. S. Treasury 0% Strips	Feb 15, 1991
34,000	U. S. Treasury 0% Strips	Aug 15, 1991
7,000	U. S. Treasury 0% Strips	Feb 15, 1992
36,000	U. S. Treasury 0% Strips	Aug 15, 1992
7,000	U. S. Treasury 0% Strips	Feb 15, 1993
35,000	U. S. Treasury 0% Strips	Aug 15, 1993
6,000	U. S. Treasury 0% Strips	Feb 15, 1994
36,000	U. S. Treasury 0% Strips	Aug 15, 1994
6,000	U. S. Treasury 0% Strips	Feb 15, 1995
37,000	U. S. Treasury 0% Strips	Aug 15, 1995
4,000	U. S. Treasury 0% Strips	Feb 15, 1996
39,000	U. S. Treasury 0% Strips	Aug 15, 1996
3,000	U. S. Treasury 0% Strips	Feb 15, 1997
39,000	U. S. Treasury 0% Strips	Aug 15, 1997
3,000	U. S. Treasury 0% Strips	Feb 15, 1998
40,000	U. S. Treasury 0% Strips	Aug 15, 1998
2,000	U. S. Treasury 0% Strips	Feb 15, 1999
41,000	U. S. Treasury 0% Strips	Aug 15, 1999
32,000	U. S. Treasury 0% Strips	Aug 15, 2000
$449,000		

Said Securities shall be irrevocably held in Escrow in the Hinton 60 Sewer Revenue Escrow Account at the Municipal Bond Commission, and shall be used to meet all future payments of principal of and interest on the Bonds, as the same shall become due and payable, and for no other purpose.

This Resolution is dated April 15, 1990

James A. Leslie Jr.
Mayor
City of Hinton

Agreed to by the West Virginia
Municipal Bond Commission:

_____
Executive Director

Date of defeasance: _____, 1990

F. 1st Reading of the Bond Authorizing Ordinance for Sewer Revenue Bonds

Walter Williams, representing the law firm of Steptoe & Johnson, was in attendance serving as Bond Counsel.

Mayor Leslie conducted the 1st reading of the Bond Authorizing Ordinance for Sewer Revenue Bonds.

Councilman Leslie moved to approve the 1st reading of the Bond Authorizing Ordinance for Sewer Revenue Bonds; seconded by Councilman Keffer. The motion was unanimously approved.

G. Approval of submission of Small cities Block Grant for FY 1990 funding

Motion was made by Councilman Leslie to approve the the following resolution; seconded by Councilman Keffer. The motion was unanimously approved.

RESOLUTION

WHEREAS, the State of West Virginia has elected to accept a Block grant from the Department of Housing and Urban Development to implement the nonentitlement portion of the Housing and Community Development Act of 1974, and

WHEREAS, the State will subgrant Small Cities Program funds to eligible county and municipal governments to finance locally designed development or planning programs, and

WHEREAS, the City of Hinton desires to obtain such funding for the development of a Community Development Program, and

WHEREAS, it is necessary for the City of Hinton to authorize the filing of an application for said funds, and

WHEREAS, the City of Hinton must give assurances that the Small Cities Program regulations related to grant administration, civil rights, and other applicable state and federal laws will be followed, and

WHEREAS, the City of Hinton must designate an official representative to act in connection with the application and execute all necessary program documents:

NOW, THEREFORE BE IT RESOLVED THAT:

1. The City of Hinton authorized the filing of an application with the State of West Virginia's Small Cities Program in the amount of $270,000. for downtown revitalization.
2. The City of Hinton will comply with all laws and regulations pertaining to the program.
3. James A. Leslie, Jr., Mayor of the City of Hinton, is designated as the authorized official to act in connection with the application.

James A. Leslie Jr.
Signature/Title

I, Cynthia S. Cooper, certify that the above is a true copy of a resolution adopted the 15th day May, 1990, at a meeting of the City of Hinton. I further certify that a quorum of the Council was present and a majority of its members voted affirmatively for this resolution.

May 15, 1990
Date

Cynthia S. Cooper / Clerk
Signature/Title

H. 1st Reading of an Ordinance to revise Chapter 27, Article 1, Section 2 of the 1989 Hinton City Code

Mayor Leslie conducted the 1st reading of an Ordinance to revise Chapter 27, Article 1, Section 2 of the 1989 Hinton City Code.

Motion was made by Councilman Meador to approve the 1st reading to revise Chapter 27, Article 1, Section 2 of the 1989 Hinton City Code; seconded by Councilman Leslie. The motion was unanimously approved.

VII. Reports:

A. Hinton Historic Landmarks Commission

No one representing the Hinton Historic Landmarks Commission was in attendance.

B. All West Virginia Community

Mayor Leslie reported that Hinton was named as "All West Virginia City" for the fifth consecutive year and was honored with the President's Award.

C. Sale at Public Auction of Surplus Equipment

Mayor Leslie instructed Clerk/Recorder Cindy Cooper to compile a list of all equipment at City Sidetrack Park in order to sell at public auction.

D. New WasteWater Treatment Facility

Mayor Leslie reported that on June 14, 1990 there will be a ground breaking ceremony held at the island behind the Summers County Career Center for the new $4 million WasteWater Treatment Facility.

E. Unsafe Building Commission

City Attorney, Richard Gunnoe reported on the outcome of the Unsafe Buildings Commission meeting held with property owners who have had complaints issued against them. The meeting of the Unsafe Building Commission was held prior to the regular meeting of Council tonight.

F. Sale at Public Auction of Property within Historic District

Mayor Leslie recommended that, in accordance with West Virginia Code 6-9A-4(2)(6)(9), Council hold an executive session. In addition to discussing this item on the agenda, Council would also discuss Personnel.

Motion was made by Councilman Meador and seconded by Councilman Hannah to approve the Mayor's recommendation to go into executive session. The motion was unanimously approved.

Upon returning from executive session, no action was taken.

G. Department Heads

Fire Chief, Ray Pivont and Assistant Fire Chief, Eddie Willey were in attendance.

VIII. Discussions:

A. Dates of next Meetings

There is a Special Meeting scheduled for May 22, 1990 at 7:30 p.m. for the purpose of conducting the 2nd Reading of the Sewer Bond Ordinance.

There is a Special Meeting scheduled for June 12, 1990 at 7:30 p.m. for the purpose of citizen input on the 2nd reading of the Sewer Bond Ordinance following thereafter the third reading and final adoption of the Sewer Bond Ordinance will be conducted.

There is an Unsafe Buildings Commission Meeting scheduled for June 19, 1990 at 7:00 p.m.

The regular meeting of Hinton City Council is scheduled for June 19, 1990 at 7:30 p.m.

B. City Sidetrack Operations for the Summer of 1990

Mayor Leslie recommended that the seasonal operation of City Sidetrack Park be from Memorial Day through Labor Day, with operating hours from 11:00 a.m. until 8:00 p.m. The lifeguards will work until 9:00 p.m. to clean-up and make preparations for the next day. The slide will be closed on Tuesdays for private parties and slide repair. Mayor Leslie advised that the concessions at City Sidetrack are still pending.

Motion was made by Councilman Leslie and seconded by Councilman Hannah to approve the Mayor's recommendations for the operation of City Sidetrack Park for the 1990 summer season. The motion was unanimously approved.

IX. Personnel Actions:

A. Return from Lay-off

Councilman Meador moved to approve the return of Sarah Crawford from a lay-off, effective May 9, 1990 at a pay rate of $3.80 per hour, 30 hours per week; seconded by Councilman Hannah. The motion was unanimously approved.

B. Employments at City Sidetrack Park for the Summer Season

Councilman Leslie moved to employ the following personnel at City Sidetrack Park for the 1990 Summer Season at a pay rate of $2.50 per hour; seconded by Councilman Hannah. The motion was unanimously approved.

Laura Brandon
Brian Bennett
Andrea Gore
Brian Bowling
Pat Jordan
Jessica Goins
Mary Jane Humphries

X. Adjournment:

Motion was made by Councilman Leslie and seconded by Councilman Meador to adjourn the regular meeting of Hinton City Council. The meeting stood adjourned at 9:35 p.m.

James A. Leslie Jr.
Mayor

Cynthia S. Cooper
Clerk/Recorder

ACTS OF COUNCIL
Special Meeting
Tuesday, May 22, 1990
7:30 p. m.

I. Roll Call:

All members present.

II. The Purpose of the Special Meeting is for Conducting the 2nd Reading to Enact a Bond Authorizing Ordinance to provide for the acquisition and construction of certain additions, improvements and betterments to the sewage system of the City of Hinton and to authorize the issuance of sewer revenue bonds not to exceed the aggregate principal amount of $1,8000,000. and sewage system notes not to exceed the aggregate principal amount of $2,100,000. to pay a portion of the costs of such additions, improvements and betterments thereof.

Mayor Leslie conducted the 2nd Reading to Enact a Bond Authorizing Ordinance.

Motion was made by Councilman Meador and seconded by Councilman Leslie to approve the 2nd Reading to Enact a Bond Authorizing Ordinance to provide for the acquisition and construction of certain additions, improvements and betterments to the sewage system of the City of Hinton and to authorize the issuance of sewer revenue bonds not to exceed the aggregate principal amount of $1,800,000. and sewage system notes not to exceed the aggregate principal amount of $2,100,000. to pay a portion of the costs of such additions, improvements and betterments thereof. The motion was unanimously approved.

III. Adjournment:

Upon motion by Councilman Meador and seconded by Councilman Hannah, the Special Meeting of Hinton City Council stood adjourned at 7:40 p.m.

James A. Leslie Jr.
MAYOR

Cynthia D. Cooper
CLERK/RECORDER

ACTS OF COUNCIL
Special Meeting
Tuesday, June 12, 1990
7:30 p.m.

I. Roll Call:

All members present.

II. Conduct a Public Hearing for the purpose of receiving citizen input from any person interested in appearing before Council and present protests, objections and suggestions in reference to the Sewage System Bond and Notes Ordinance.

No citizens were in attendance.

III. Third Reading and Adoption of a Bond Authorizing Ordinance to provide for the acquisition and construction of certain additions, improvements and betterments to the sewage system of the City of Hinton and to authorize the issuance of sewer revenue bonds not to exceed the aggregate principal amount of $1,800,000. and sewage system notes not to exceed the aggregate principal amount of $2,100,000. to pay a portion of the costs of such additions, improvements and betterments thereof.

Mayor Leslie conducted the Third Reading of the Bond Authorizing Ordinance.

Motion was made by Councilman Meador and seconded by Councilman Hannah to approve and adopt the Bond Authorizing Ordinance. The motion was unanimously approved. Here after is printed said ordinance.

(SEE INSERT)

IV. Adoption of Supplemental Resolution to Enact the Bond Authorizing Ordinance

Mayor Leslie conducted the reading of the Supplemental Resolution to Enact the Bond Authorizing Ordinance

Motion was made by Councilman Leslie and seconded by Councilman Hannah to adopt the Supplemental Resolution to Enact the Bond Authorizing Ordinance. The motion was unanimously approved. Here after is printed said Supplemental Resolution.

(SEE INSERT)

V. Approval of Budget Revisions for FY 1990

Mayor Leslie recommended approval of the following FY 1990 budget revisions to be submitted to the State Tax Department for both General Fund and Coal Severance Fund.

GENERAL FUND

RECEIPTS

ACCOUNT NUMBER	ACCOUNT CATEGORY	APPROVED AMOUNT	DEBIT (+)	CREDIT (-)	REVISED AMOUNT
301	AD VALOREM	188,332.	6,000.		194,332.
305	ANIMAL CONT	250.		75.	175.
308	BLDG. PERMIT	300.	2,275.		2,575.
316	SALE/MATERIAL	-0-	2,020.		2,020.
324	STATE GRANT	-0-	67,760.		67,760.
332	B&O TAX	190,000.	73,917.		263,917.
333	EXCISE TAX	87,373.		20,000.	67,373.
338	LIQUOR TAX	8,432.	7,000.		15,432.
342	PARKING	3,000.	3,000.		6,000.
343	OFF-STREET	2,000.		500.	1,500.
347	FINES	-0-	1,800.		1,800.
350	REFUSE	67,626.		35,615.	32,011.

351	POLICE PROT.	4,077.		674.	3,403.
354	LANDFILL	14,643.		6,556.	8,087.
371	REFUNDS	-0-	500.		500.
399	MISC. REV.	-0-	1,130.		1,130.
			NET INCREASE/(DECREASE)		+101,982.

EXPENDITURES

409	11-40	96.	183.		279.
415	11-40	4,125.	600.		4,725.
415	41-55	500.	1,500.		2,000.
415	56-65	17,000.	2,500.		19,500.
421	11-40	800.	870.		1,670.
421	41-55	0.	1,050.		1,050.
438	11-40	0.	331.		331.
438	41-55	0.	915.		915.
440	11-40	13,465.	960.		14,425.
440	41-55	100.	800.		900.
442	11-40	0.	3,100.		3,100.
442	41-55	0.	200.		200.
442	56-65	0.	2,000.		2,000.
446	41-55	0.	560.		560.
455	1-10	75,274.	20,000.		95,274.
455	11-40	10,775.	1,200.		11,975.
455	41-55	4,000.	7,500.		11,500.
455	56-65	8,920.	1,500.		10,420.
500	1-10	73,531.	8,000.		81,531.
500	41-55	1,450.	500.		1,950.
530	1-10	64,157.		46,258.	17,899.
530	11-40	14,250.		4,895.	9,355.
530	41-55	4,700.		1,600.	3,100.
540	1-10	39,856.		16,000.	23,856.
540	11-40	4,000.	2,260.		6,260.
540	41-55	0.	400.		400.
540	56-65	10,000.	1,900.		11,900.
551	11-40	0.	14,002.		14,002.
551	41-55	0.	25,400.		25,400.
551	56-65	0.	25,752.		25,752.
570	1-10	29,518.	26,000.		55,518.
570	11-40	13,775.		1,000.	12,775.
570	41-55	2,600.	9,500.		12,100.
575	11-40	700.	1,850.		2,550.
576	11-40	4,000.		300.	3,700.
576	41-55	450.	402.		852.
576	56-65	6,000.		1,975.	4,025.
578	41-55	2,000.		700.	1,300.
581	11-40	46,000.	2,610.		48,610.
597	11-40	2,600.	2,885.		5,485.
597	41-55	400.	435.		835.
597	56-65	2,000.	6,910.		8,910.
711	1-10	960.	135.		1,095.
			NET INCREASE/(DECREASE)		+101,982.

COAL SEVERANCE FUND

RECEIPTS

280	RESERVE ENC.	-0-	6,001.		6,001.
325	COAL SEVERANCE	7,800.	1,019.		8,819.
			NET INCREASE/(DECREASE)		+7,020.

EXPENDITURES

409	11-40	750.	340.		1,090.
410	11-40	750.		419.	313.
415	11-40	-0-	2,000.		2,000.
417	11-40	6,301.		2,412.	3,889.
440	11-40	-0-	400.		400.
455	11-40	-0-	1,018.		1,018.
500	11-40	-0-	130.		130.
530	11-40	-0-	1,666.		1,666.
540	11-40	-0-	1,788.		1,788.
576	11-40	-0-	78.		78.
597	11-40	-0-	381.		381.
597	11-40	-0-	2,050.		2,050.
			NET INCREASE/(DECREASE)		+7,020.

Motion was made by Councilman Leslie and seconded by Councilman Keffer to approve the budget revisions for both General Fund and Coal Severance Fund. The motion was unanimously approved.

VI. Approval of Resolution for Application for Funding Assistance under the Federal Land and Water Conservation Fund (New River Vista)

Mayor Leslie recommended approval on the following resolution.

Motion was made by Councilman Leslie and seconded by Counciman Hannah to approve the following resolution. The motion was unanimously approved.

RESOLUTION

At a regular meeting of the City of Hinton held on the 12th day of June, 1990, the following order was made and entered;

Subject: Land and Water Conservation Fund Application

For: New River Vista

in the amount of $5,894.00

WHEREBY, the City of Hinton authorizes James A. Leslie, Jr., Mayor, to submit an application to the State of West Virginia requesting funding for the above mentioned project out of the Land and Water Conservation Fund. The City of Hinton authorizes James A. Leslie, Jr., to sign any and all documents and papers which accompany or are part of this application, and any and all documents and papers necessary for the completion of the project should it receive National Park Service Approval.

The City of Hinton agrees to abide by all rules and regulations pertaining to the Land and Water Conservation Fund Program, and to operate and maintain the proposed facility for public use under the requirements of the Land and Water Conservation Fund should this project receive Federal assistance.

NOW, THEREFORE BE IT RESOLVED THAT:

1. The City of Hinton authorizes the filing of an application with the State of West Virginia requesting funding for the above mentioned project out of the Land and Water Conservation Fund in the amount of $5,894.

2. The City of Hinton will comply with all laws and regulations pertaining to the program.

3. James A. Leslie, Jr., as Mayor of the City of Hinton, is designated as the authorized official to act in connection with the application.

James A. Leslie, Jr.
James A. Leslie, Jr., Mayor

I, Cynthia S. Cooper, Recorder, City of Hinton, certify that the above is a true copy of a resolution adopted the 12th day of June, 1990 at a meeting of the Council of the City of Hinton. I further certify that a quorum of the Council was present and a majority of its members voted affirmatively for the resolution.

Cynthia S. Cooper
Recorder

DATE: June 12, 1990

VII. Adjournment:

Upon motion by Councilman Meador and seconded by Councilman Leslie, the Special Meeting of Hinton City Council stood adjourned at 7:45 p.m.

James A. Leslie Jr.
MAYOR

Cynthia S. Cooper
CLERK/RECORDER

STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 624-8183

CHARLES W. YEAGER
CARL F. STUCKY, JR.
HERBERT G. UNDERWOOD
JACKSON L. ANDERSON
OTIS L. O'CONNOR
ROBERT G. STEELE
J. LEE VAN METRE, JR.
JAMES M. WILSON
PATRICK D. DEEM
ROBERT M. STEPTOE, JR.
ANNE R. WILLIAMS
JAMES R. WATSON
JAMES D. GRAY
DOUGLAS S. ROCKWELL
VINCENT A. COLLINS
JAMES A. RUSSELL
LUCIEN G. LEWIN
WILLIAM T. BELCHER
MICHAEL L. BRAY
JAMES D. STEPTOE
DAVID C. CLOVIS
DANIEL R. SCHUDA
J. GREG GOODYKOONTZ
IRENE M. KEELEY
EVANS L. KING, JR.
WALTER L. WILLIAMS
SUSAN S. BREWER
SPRAGUE W. HAZARD
HERSCHEL H. ROSE III
DAVID LAYVA
GRAY SILVER III
RONALD H. HANLAN
C. DAVID MORRISON
HARRY P. WADDELL
CLEMENT D. CARTER III
W. HENRY LAWRENCE IV
J. ROBERT GWYNNE
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MARTINSBURG OFFICE
126 EAST BURKE STREET
MARTINSBURG, W. VA. 25401
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GARY W. NICKERSON
CURTIS O. POWER III
STEPHEN R. KERSHNER
W. RANDOLPH FIFE
MARTIN R. SMITH, JR.
LOUIS E. ENDERLE, JR.
ROBERT J. SCHIAVONI
JOHN K. DORSEY
WALTER WASHINGTON
JOSEPH R. FERRETTI
MARK E. KINLEY
MARCIA J. POLLARD
BRYAN R. COKELEY
PATRICK D. KELLY
FRANCESCA TAN
CHRISTINE S. VAGLIENTI
WILLIAM P. YOUNG
DAVID M. HAMMER
WILLIAM F. ROHRBAUGH
CAROLINE J. STAFFORD
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JONATHAN P. JESTER
GRACE J. WIGAL
GINA M. HOUSEHOLDER
MICHAEL KOZAKEWICH, JR.
CYNTHIA R. TRIBBLE

OF COUNSEL
RALPH BOHANNON
ROGER J. PERRY

WRITER'S DIRECT DIAL NUMBER

August 9, 1990

The City of Hinton
Sewer Revenue Bonds

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Internal Revenue Service
Internal Revenue Service Center
Philadelphia, Pennsylvania 19255

Ladies and Gentlemen:

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

Very truly yours,

Walter L. Williams

Walter L. Williams

WLW/bnc
Enclosures
Copy of letter with enclosures to:
Samme Gee, Esquire and David L. Ziegler, Esquire
41455/89001/8038.LTR

Form **8038-G** (Rev. October 1989) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Section 149(e)
▶ See separate instructions
(Use Form 8038-GC if the issue price is under $100,000)

OMB No. 1545-0720
Expires 5-31-92

Part I Reporting Authority — Check box if Amended Return ▶ ☐

1 Issuer's name: The City of Hinton
2 Issuer's employer identification number: 55-6000185
3 Number and street: 322 Summers Street, P. O. Box 866
4 Report number: G19 90 - 1
5 City or town, state, and ZIP code: Hinton, West Virginia 25951
6 Date of issue: June 14, 1990
7 Name of issue: The City of Hinton Sewer Revenue Bonds, Series 1990A
8 CUSIP Number: N/A

Part II Type of Issue (check box(es) that applies and enter the Issue Price)

		Issue price
9	Check box if obligations are tax or other revenue anticipation bonds ▶ ☐	
10	Check box if obligations are in the form of a lease or installment sale ▶ ☐	
11	☐ Education	$
12	☐ Health and hospital	
13	☐ Transportation	
14	☐ Public safety	
15	☒ Environment (including sewage bonds) See Statements 1 and 2	637,262
16	☐ Housing	
17	☐ Utilities	
18	☐ Other. Describe (see instructions) ▶	

Part III Description of Obligations

	(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
19 Final maturity	10/1/2029	7.85 %	$48,953	$48,953			
20 Entire issue			$637,262	$637,262	28.72 years	%	7.85 %

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

21	Proceeds used for accrued interest		21 –0–
22	Issue price of entire issue (enter line 20c)		22 $637,262
23	Proceeds used for bond issuance costs (including underwriters' discount)	23 $3,144	
24	Proceeds used for credit enhancement	24 –0–	
25	Proceeds allocated to reasonably required reserve or replacement fund	25 –0–	
26	Proceeds used to refund prior issues	26 –0–	
27	Total (add lines 23, 24, 25, and 26)		27 $ 3,144
28	Nonrefunding proceeds of the issue (subtract line 27 from line 22 and enter amount here)		28 $634,118

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

29 Enter the remaining weighted average maturity of the bonds to be refunded ▶ _____ years
30 Enter the last date on which the refunded bonds will be called ▶
31 Enter the date(s) the refunded bonds were issued ▶

Part VI Miscellaneous

32 Enter the amount of the state volume cap allocated to the issue ▶ –0–
33 Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(i)(III) (small issuer exception) ▶ –0–
34 Pooled financings:
a Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units ▶ –0–
b Check box if this issue is a loan made from the proceeds of another tax-exempt issue ▶ ☒ and enter the name of the issuer ▶ West Virginia Water Development Authority and the date of the issue ▶ December 27, 1989

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

Please Sign Here

James A. Leslie Jr. — Signature of officer
June 14, 1990 — Date
James A. Leslie, Jr., Mayor — Type or print name and title

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

*U.S. Government Printing Office: 1989-262-151/00019

STATEMENT 1

The Issuer concurrently issued sewage bonds which bear interest at a rate of 5% per annum with an issue price of $668,000, which are on a parity with the bonds set forth on the Form 8038-G to which this statement is attached, but which, for purposes of Form 8038-G, may be considered as part of the same issue although separate obligations. Such sewage bonds are named The City of Hinton Sewer Revenue Bonds, Series 1990 C, have no Cusip Number and finally mature on June 14, 2030, with a final maturity issue price and stated redemption price at maturity of $3,222. The entire issue of such sewage bonds has an issue price and stated redemption price at maturity of $668,000, with a weighted average maturity of 26.58 years and a net interest cost of 5%. No amount of original proceeds of such sewage bonds will be used for accrued interest. $3,296 of the original proceeds of such sewage bonds will be used for bond issuance costs and the balance of $664,704 will be nonrefunding proceeds of such sewage bonds. No amount of the state volume cap will be allocated to such sewage bonds, and no amount of such sewage bonds has been designated by the Issuer under Section 265(b)(3)(B)(i)(III). None of the proceeds of such sewage bonds will be used to make loans to governmental units and none of such sewage bonds are a loan made from the proceeds of another tax-exempt issue.

STATEMENT 2

The Issuer also concurrently issued supplemental sewage bonds which bear no interest with an issue price of $29,738, which are junior and subordinate to the bonds set forth on the Form 8038-G to which this statement is attached and to the sewage bonds set forth in Statement 1, but which, for purposes of Form 8038-G, may be considered as part of the same issue although separate obligations. Such supplemental sewage bonds are named The City of Hinton Sewer Revenue Bonds, Series 1990 B, have no Cusip Number and finally mature on October 1, 2029, with a final maturity issue price and stated redemption price at maturity of $763. The entire issue of such supplemental sewage bonds has an issue price and stated redemption price at maturity of $29,738, with a weighted average maturity of 20.30 years. $146 of the original proceeds of such supplemental sewage bonds will be used for bond issuance costs and the balance of $29,592 will be nonrefunding proceeds of such supplemental sewage bonds. No amount of the state volume cap will be allocated to such supplemental sewage bonds, and no amount of such supplemental sewage bonds has been designated by the Issuer under Section 265(b)(3)(B)(i)(III). None of the proceeds of such supplemental sewage bonds will be used to make loans to other governmental units and none of such supplemental sewage bonds are a loan made from the proceeds of another tax-exempt issue.

ALL STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, N. JERSEY 07016

ED 11-2C

WV MUNICIPAL BOND COMMISSION
Suite 337 Building 3
1800 Washington St. E
State Capitol Complex
Charleston, WV 25305
(304) 348-3971

NEW ISSUE REPORT FORM

Date of Report: June 14, 1990

(See Reverse for Instructions)

ISSUE: THE CITY OF HINTON, Sewer Revenue Bonds, Series 1990 A

ADDRESS: P. O. Box 866, Hinton, WV 25951 COUNTY: Summers

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

ISSUE DATE: June 14, 1990 CLOSING DATE: June 14, 1990

ISSUE AMOUNT: $ 637,262 RATE: 7.85%

1st DEBT SERVICE DUE: 10/1/90 1st PRINCIPAL DUE: 10/1/91

1st DEBT SERVICE AMOUNT: 14,868.56 PAYING AGENT: One Valley Bank, National Association

ISSUERS
BOND COUNSEL: Steptoe & Johnson
Contact Person: Walter L. Williams, Esq.
Phone: 624-8152

CLOSING BANK: The First National Bank of Hinton
Contact Person: Robert Richmond or Fred Mock
Phone: 466-2311

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: James A. Leslie, Jr.
Position: Mayor
Phone: 466-3255

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

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

OTHER: ____
Contact Person: ____
Function: ____
Phone: ____

DEPOSITS TO MBC AT CLOSE:
By ____ Wire
X Check

____ Accrued Interest: $ ____
X Capitalized Interest: $ 83,375
____ 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: ____

37A

WV MUNICIPAL BOND COMMISSION
Suite 337 Building 3
1800 Washington St. E
State Capitol Complex
Charleston, WV 25305
(304) 348-3971

NEW ISSUE REPORT FORM

Date of Report: June 14, 1990

(See Reverse for Instructions)

ISSUE: THE CITY OF HINTON, Sewer Revenue Bonds, Series 1990 B

ADDRESS: P. O. Box 866, Hinton, WV 25951 COUNTY: Summers

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

ISSUE DATE: June 14, 1990 CLOSING DATE: June 14, 1990

ISSUE AMOUNT: $ 29,738 RATE: 0%

1st DEBT SERVICE DUE: 10/1/91 1st PRINCIPAL DUE: 10/1/91

1st DEBT SERVICE AMOUNT: 762.62 PAYING AGENT: One Valley Bank, National Association

ISSUERS
BOND COUNSEL: Steptoe & Johnson
Contact Person: Walter L. Williams, Esq.
Phone: 624-8152

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

CLOSING BANK: The First National Bank of Hinton
Contact Person: Robert Richmond or Fred Mock
Phone: 466-2311

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: James A. Leslie, Jr.
Position: Mayor
Phone: 466-3255

OTHER: ____
Contact Person: ____
Function: ____
Phone: ____

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: ____

37B

WV MUNICIPAL BOND COMMISSION
Suite 337 Building 3
1800 Washington St. E
State Capitol Complex
Charleston, WV 25305
(304) 348-3971

NEW ISSUE REPORT FORM

Date of Report: June 14, 1990

(See Reverse for Instructions)

ISSUE: THE CITY OF HINTON, Sewer Revenue Bonds, Series 1990 C

ADDRESS: P. O. Box 866, Hinton, WV 25951 COUNTY: Summers

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

ISSUE DATE: June 14, 1990 CLOSING DATE: June 14, 1990

ISSUE AMOUNT: $ 668,000 RATE: 5%

1st DEBT SERVICE DUE: 7/14/90 1st PRINCIPAL DUE: 7/14/92

1st DEBT SERVICE AMOUNT: Cannot be determined PAYING AGENT: Not applicable

ISSUERS
BOND COUNSEL: Steptoe & Johnson
Contact Person: Walter L. Williams, Esq.
Phone: 624-8152

CLOSING BANK: The First National Bank of Hinton
Contact Person: Robert Richmond or Fred Mock
Phone: 466-2311

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: James A. Leslie, Jr.
Position: Mayor
Phone: 466-3255

UNDERWRITERS
BOND COUNSEL: ____
Contact Person: ____
Phone: ____

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

OTHER: ____
Contact Person: ____
Function: ____
Phone: ____

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: This issue is a Farmers Home loan. Principal and interest will be paid directly to Farmers Home. The Reserve Account for this issue will be maintained with the Municipal Bond Commission.

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

37C

ALL STATE LEGAL SUPPLY CO ONE COMMERCE DRIVE CRANFORD N. MAY 07016

ED 11-2C

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

OCT 5 1987

CERTIFIED MAIL

RE: C-540401-04
City of Hinton

Honorable James A. Leslie, Jr.
Mayor, City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

Dear Mayor Leslie:

We are pleased to inform you of the award of a Step II/III Federal grant for the preparation of construction drawings and specifications, and construction of wastewater treatment works for the referenced project, as described in your application and approved by the West Virginia Department of Natural Resources.

The grant award is for an amount not to exceed $2,093,240 and is subject to the conditions set forth in Part III of the Assistance Agreement.

Copies of the applicable Federal Regulations are forwarded for your reference.

The original and a copy of the Assistance Agreement are enclosed. The original copy of the Agreement should be signed and returned to Mrs. Catherine A. Mastropieri, Chief, Grants Management Branch, within twenty-one days of your receipt. The copy should also be signed and retained for your files.

Sincerely,

Robert J. Uttera, Deputy
for Alvin R. Morris, Director
Water Management Division

Enclosures (2)

cc: Mr. Mike Johnson, WVDNR
Mr. Edgar Henry, WDA
Lawson Engineering & Technical Services

38A

U.S. ENVIRONMENTAL PROTECTION AGENCY
EPA ASSISTANCE AGREEMENT/~~AMENDMENT~~
PART I - ASSISTANCE NOTIFICATION INFORMATION

1. ASSISTANCE ID NO. C-[illegible]401-04-0
2. LOG NUMBER Three - C
3. DATE OF AWARD SEP 28 1987
4. MAILING DATE OCT 5 1987

5. AGREEMENT TYPE
- Cooperative Agreement
- Grant Agreement X
- Assistance Amendment

6. PAYMENT METHOD
☐ Advance ☒ Reimbursement ☐ Letter of Credit
Send Payment Request To: Grants Management Branch

7. TYPE OF ACTION Continuation

RECIPIENT ORGANIZATION

8. RECIPIENT
City of Hinton
P.O. Box 866
Hinton, WV 25951

9. PAYEE
City of Hinton
P.O. Box 866
Hinton, WV 25951

EIN NO.

CONGRESSIONAL DISTRICT 2nd

10. RECIPIENT TYPE City

11. PROJECT MANAGER AND TELEPHONE NO.
James A. Leslie, Jr., Mayor
(304) 466-3255

12. CONSULTANT (WWT Construction Grants Only)
Lawson Engineering & Technical Service
P.O. Box 1419
Beckley, West Virginia 25802
(304) 466-4647

EPA CONTACT

13. ISSUING OFFICE (City/State)
Philadelphia, Pennsylvania

14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO.
R. Fenton Roudabush, Chief
Virginia-West Virginia Section
(215) 597-9131

15. EPA CONGRESSIONAL LIAISON & TEL. NO.
Patricia Gaskins (202)382-5184

16. STATE APPL ID (Clearinghouse)

17. FIELD OF SCIENCE N/A

18. PROJECT STEP (WWT CG Only) II/III

19. STATUTORY AUTHORITY
Clean Water Act, Title II

20. REGULATORY AUTHORITY
40 CFR Parts 30 & 35

21. STEP 2 + 3 & STEP 3 (WWT Construction Only)

a. Treatment Level	3	
b. Project Type	NEW	
c. Treatment Process	2	
d. Sludge Design	5	

22. PROJECT TITLE AND DESCRIPTION Design and construction of an 0.6 MGD activated sludge treatment plant and 7,000 L.F. of interceptor sewers. The eligible project includes allowable associated costs as defined in 40 CFR 35.2250 up to the amounts shown in Part II of the Assistance Agreement.

23. PROJECT LOCATION (Areas Impacted by Project)

City/Place	County	State	Congressional District
Hinton	Summers	WV	2nd

24. ASSISTANCE PROGRAM (CFDA Program No. & Title) 66.418

25. PROJECT PERIOD 09/87 - 05/91

26. BUDGET PERIOD N/A

27. COMMUNITY POPULATION (WWT CG Only) 5,100

28. TOTAL BUDGET PERIOD COST N/A

29. TOTAL PROJECT PERIOD COST 3,805,900

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
30. EPA Amount This Action		2,093,240	
31. EPA In-Kind Amount			
32. Unexpended Prior Year Balance			
33. Other Federal Funds			
34. Recipient Contribution			
35. State Contribution			
36. Local Contribution			
37. Other Contribution			
38. Allowable Project Cost		3,805,900	

39. FISCAL

Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deoblig. Amount
GHQW80	78-R	68X0103.A	W78C02	NGHQ036006	41.11	$ 353,497
GHPW80	79-R	68X0103.B	W79C01	NGHP036006	41.11	1,002,765
GDJW80	81-R	68X0103.D	W81C01	NGDJ036006	41.11	414,161
GKAW80	83-R	68X0103.F	W83C01	NGKA036006	41.11	322,817

EPA Form 5700-20A (Rev. 5-83) Replaces previous editions of EPA Forms 5700-1A, B, C, and D, all of which are obsolete.

PART II–APPROVED BUD

ASSISTANCE IDENTIFICATION NO. C-540401-04-0

TABLE A – OBJECT CLASS CATEGORY (Non-construction)	TOTAL APPROVED ALLOWABLE BUDGET PERIOD COST
1. PERSONNEL	
2. FRINGE BENEFITS	
3. TRAVEL	
4. EQUIPMENT	
5. SUPPLIES	
6. CONTRACTUAL	
7. CONSTRUCTION	
8. OTHER	
9. TOTAL DIRECT CHARGES	
10. INDIRECT COSTS: RATE % BASE	
11. TOTAL (Share: Recipient ____ %. Federal ____ %)	
12. TOTAL APPROVED ASSISTANCE AMOUNT	$ N/A

TABLE B – PROGRAM ELEMENT CLASSIFICATION (Non-construction)	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12. TOTAL (Share: Recipient ____ %. Federal ____ %)	
13. TOTAL APPROVED ASSISTANCE AMOUNT	$ N/A

TABLE C – PROGRAM ELEMENT CLASSIFICATION (Construction)	
1. ADMINISTRATION EXPENSE	
2. ~~XXXXXXXXXXXXXXXXXX~~ Legal & Fiscal	34,594
3. LAND STRUCTURES, RIGHT-OF-WAY	13,300
4. ARCHITECTURAL ENGINEERING BASIC FEES	
5. OTHER ARCHITECTURAL ENGINEERING FEES	59,304
6. PROJECT INSPECTION FEES	85,940
7. LAND DEVELOPMENT	133,434
8. RELOCATION EXPENSES	
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESSES	
10. DEMOLITION AND REMOVAL	
11. CONSTRUCTION AND PROJECT IMPROVEMENT	
12. EQUIPMENT	3,005,000
13. ~~XXXXXXXXXXXX~~ Design Allowance	
14. TOTAL (Lines 1 thru 13)	170,395
15. ESTIMATED INCOME (If applicable)	
16. NET PROJECT AMOUNT (Line 14 minus 15)	
17. LESS: INELIGIBLE EXCLUSIONS	
18. ADD: CONTINGENCIES	
19. TOTAL (Share: Recipient 45 %. Federal 55 %)	303,933
	3,805,900
20. TOTAL APPROVED ASSISTANCE AMOUNT	$ 2,093,240

EPA Form 5700-20A (Rev. 5-82)

a. GENERAL CONDITIONS

The recipient covenants and agrees that it will expeditiously initiate and timely complete the project work for which assistance has been awarded under this agreement, in accordance with all applicable provisions of 40 CFR Chapter I, Subpart B. The recipient warrants, represents, and agrees that it, and its contractors, subcontractors, employees and representatives, will comply with: (1) all applicable provisions of 40 CFR Chapter I, Subchapter B, INCLUDING BUT NOT LIMITED TO the provisions of Appendix A to 40 CFP Part 30, and (2) any special conditions set forth in this assistance agreement or any assistance amendment pursuant to 40 CFR 30.425.

b. SPECIAL CONDITIONS

(For cooperative agreements include identification or summarization of EPA responsibilities that reflect or contribute to substantial involvement.)

The grantee is subject to all the requirements of 40 CFR Part 35, Subpart I, Part 30, Part 33 and other pertinent regulations. The grantee is directed to certain following special considerations of those requirements.

1. Regulations Affecting Federal Grant Payments

   (a) Payments shall not be made for Step III professional services until the grantee complies with the procurement requirements of 40 CFR Part 33, Subpart A.

   (b) Payments shall be made in accordance with 40 CFR 35.2300.

2. Project Schedule

   EPA's policy requires that projects be initiated, constructed, and placed in operation in a timely manner. For that reason, the schedule shown below, which was developed in conjunction with your grant application, is included as a special condition. The grantee is expected to take all appropriate actions to ensure that this schedule is maintained.

   In the event that the project is delayed for reasons beyond the control of the grantee, this schedule may be revised. If the delay arises from mismanagement and could otherwise have been avoided, the schedule will not be revised, in which case EPA will be compelled to determine if ineligible incremental costs have been incurred as a result.

Continued.....

3. Project Initiation (40 CFR 35.2212)

Construction is expected to be initiated on the following schedule.

Failure of the grantee to initiate construction of all major contracts within 12 months of approval of plans and specifications will result in disallowance of incremental costs in accordance with 40 CFR 35.2212, "Project Initiation".

	Date		
Plans and Specifications approval	07/88		
Bid Advertisement	08/88		
Construction Contract Award	02/89		
Construction Start (NTP)	02/89		

4. Grant Payment Milestones (40 CFR 35.2206)

Grant payments cannot exceed 50% of the Federal share unless the grantee has furnished a satisfactory final plan of operation, and cannot exceed 90% unless the grantee has furnished a satisfactory Operations and Maintenance Manual. The following dates represent an estimate of the timing of those payments.

Final Plan of Operation Approval	08/89
Operation and Maintenance Manual Approval	03/90

5. Sewer Use Ordinance and User Charge System (40 CFR 35.2208)

The sewer use ordinance must be adopted, and the user charge system implemented, before the system is placed in operation. The following dates represent an estimate of that operational date.

Sewer Use Ordinance Adoption	N/A
User Charge System Implementation	03/90

6. Notice of Building Completion (40 CFR 35.2216)

Grantee agrees to notify the State when construction is completed and also agrees to submit a preliminary final payment request on schedule.

Grantee's request to State for final physical inspection 05/90

Preliminary Final Payment Request 08/90

7. Project Performance (40 CFR 35.2218)

Federal Regulations place special emphasis on the performance of the project. It is vitally important that the facility performs as designed and on schedule. The grantee, therefore, agrees to initiate operation and certify performance by the dates below. It is likewise important that the final Federal share of the project be determined at the earliest possible date. The grantee, therefore, agrees to submit its request for final payment in accordance with this schedule.

Initiation of Operation	05/90
Project Performance Certification	05/91
Final Payment Request	05/91

8. Subagreements and Contracts

(a) The grantee agrees to negotiate a subagreement and contract for all services to be awarded under this grant. Such subagreements and contracts shall be in conformance with and incorporate the required clauses of 40 CFR Part 33.

(b) A copy of the proposed subagreements and contracts shall be submitted to the Regional Administrator for review and pre-award approval as appropriate under 40 CFR Part 33. The submittal of the proposed subagreements and contracts shall include the procurement records required in Appendix A to 40 CFR Part 33.

(c) The grantee shall submit to the Regional Administrator the proposed subagreement and contract cost or price data on EPA Form 5700-41 or on a form which contains similar information.

9. Flood Insurance

The grantee agrees to acquire and maintain at his own cost any flood insurance made available to it under the National Flood Insurance Act of 1968, as amended. This condition shall not be applicable if, on the date of execution of this Grant Agreement by both parties, flood insurance was not available pursuant to the Flood Insurance Act of 1968, as amended, for property in the project location.

10. Land Acquisition

The grantee shall not make any offer to acquire allowable real property until the Regional Administrator approves the price the grantee will offer the property owner (40 CFR 35.2210).

11. Review

The grantee recognizes that approval of any part of this grant, change orders, grant increase amendments, subagreements, any specific items, or eligibility of any other costs will be subject to final review, including project officer review, audit review, and final determination of the Grant Approving official.

12. Advertisement for Bids

Prior to the advertisement for construction bids, the grantee agrees to submit to the Regional Administrator for approval the following:

A user charge system (40 CFR 34.2140); and

Final design drawings and specifications (40 CFR 35.2040 (b)(5)).

13. MBE/WBE Requirements

The recipient agrees to submit to the Chief, Construction Grants Branch, attn: EEO Specialist, EPA, Region III, a completed Standard Form-334 within 30 days after the date the recipient begins building the project (see 40 CFR 35.2202). This Standard Form-334 will contain the information on subagreement awards to minority and women's businesses during the design phase of the project. The recipient agrees to submit to the Chief, Construction Grants Branch, attn: EEO Specialist, EPA, Region III, a completed Standard Form-334 within 30 days after the end of each Federal fiscal quarter during which the recipient or its contractors award any subagreements for building and building-related services and supplies.

14. Public Participation

Additional public participation is required to inform prospective users of the expected costs and rates. The grantee shall submit to the DNR project officer, within 2 months, a plan/schedule for conducting the additional public participation.

15. Audit Requirement

The recipient agrees that it will comply with the provisions of OMB Circular A-128 governing the audit of State and local government recipients of Federal assistance for fiscal years that begin after December 31, 1984. (This requirement replaces 40 CFR 30.540(b) which is based on OMB Circular A-102, Attachment P.)

b. SPECIAL CONDITIONS (Continued)

16. EPA's National Municipal Policy

Nothing in this grant agreement shall be construed to excuse the grantee from meeting the requirements of the National Municipal Policy and the enforceable requirements of the Clean Water Act, as amended.

The schedule for completion of this project will be revised as needed to correspond to any schedule approved in the context of an enforcement action.

17. Eligibility Agreement

The grantee and the Environmental Protection Agency agree, pursuant to section 203(a)(2) of the Clean Water Act, that only those items specified in the project description (scope) portion of the grant agreement are eligible for Federal Participation in accordance with 40 CFR Part 35.2250 (determination of allowable costs).

PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administrations Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.

Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official which the Award Official determines to materially alter the Agreement shall void the Agreement.

OFFER AND ACCEPTANCE

The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers assistance/~~amendment~~ to the City of Hinton (RECIPIENT ORGANIZATION) for 55 % of all approved costs incurred up to and not exceeding $ 2,093,240 (ASSISTANCE AMOUNT) for the support of approved budget period effort described in application *(including all application modifications)* C-540401-04 City of Hinton (DATE AND TITLE) included herein by reference.

ISSUING OFFICE *(Grants Administration Office)*	AWARD APPROVAL OFFICE
ORGANIZATION/ADDRESS Environmental Protection Agency Grants Management Branch (3PM70) 841 Chestnut Building Philadelphia, Pennsylvania 19107	ORGANIZATION/ADDRESS Environmental Protection Agency Water Management Division (3WM00) 841 Chestnut Building Philadelphia, Pennsylvania 19107

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	
	James M. Seif, Regional Administrator	SEP 28 1987

This Agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2, the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
James A. Leslie Jr.	James A. Leslie, Jr., Mayor	10/12/87

EPA Form 5700-20A (Rev. 5-82)

STATE OF WEST VIRGINIA
DEPARTMENT OF COMMERCE, LABOR AND ENVIRONMENTAL RESOURCES
DIVISION OF NATURAL RESOURCES
WATER RESOURCES SECTION
1201 Greenbrier Street
Charleston, West Virginia 25311
Telephone (304)348-2107

GASTON CAPERTON
Governor

J. EDWARD HAMRICK III
Director

LARRY W. GEORGE
Deputy Director

June 5, 1990

The Honorable James A. Leslie, Jr.
Mayor, City of Hinton
P. O. Box 866
Hinton, West Virginia 25951

RE: City of Hinton
C-540401-04

Dear Mayor Leslie:

You are hereby advised that the bidding procedures for Contract 1 and 2 have been reviewed and approved. The contracts may now be awarded to the low, responsive bidder, West Virginia Pipeline, Incorporated, as indicated by the proposals you have submitted.

Certain construction activities have been assigned to our Engineering Section. You will be contacted by a representative of this section in the near future.

The Part B documents that you submitted are being reviewed by this office. The official approval letter and the grant amendment are currently being processed and will be forwarded under separate cover. The total Eligible project costs are $3,631,800 reflecting an EPA grant of $2,693,490 which includes $696,000 of ARC funds.

Should you have any questions, ple e contact Rosalie Ortega of Paul Frantz at (304) 348-0637.

Sincerely,

CONSTRUCTION ASSISTANCE BRANCH

Mike Johnson

Mike Johnson, P. E.
Branch Head

MJ/jra

cc: Chuck Fogg, EPA
Bernie Yonkosky, WDA
Howard Cunningham, PSC
Richard Ellard, FmHA
Lawson Engineers

38B

STATE OF WEST VIRGINIA
DEPARTMENT OF COMMERCE, LABOR AND ENVIRONMENTAL RESOURCES
DIVISION OF NATURAL RESOURCES
WATER RESOURCES SECTION
1201 Greenbrier Street
Charleston, West Virginia 25311
Telephone (304)348-2107

GASTON CAPERTON
Governor

J. EDWARD HAMRICK II
Director

LARRY W. GEORGE
Deputy Director

June 13, 1990

Mr. Frederick G. Warren, Chief
Grants Management Section (3PM71)
Environmental Protection Agency
Region III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

RE: City of Hinton
C-540401-04

Dear Mr. Warren:

Transmitted are the Part B documents for Contracts 1 and 2 of the referenced project. The State approves the bidding procedures and the request for grant decrease in the amount of $98,940 reflecting a revised federal grant of $2,690,300 which includes $1,994,300 in conventional funds and $696,000 in ARC funds. The total eligible project cost is now $3,626,000.

Should you have any questions, please contact Rosalie Ortega of my staff at (304) 348-0637.

Sincerely,

CONSTRUCTION ASSISTANCE BRANCH

Rosalie Ortega

for Mike Johnson, P. E.
Branch Head

MJ/jra

Enclosures

cc: City of Hinton
Lawson Engineers
Bernie Yonkosky, WDA
Richard Ellard, FmHA
John Demchalk, ARC
Ralph Goolsby, GOCID

38C

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, N.J. 07016

ED 11-2C

DANIEL K. INOUYE, HAWAII
ERNEST F. HOLLINGS, SOUTH CAROLINA
LAWTON CHILES, FLORIDA
J. BENNETT JOHNSTON, LOUISIANA
QUENTIN N. BURDICK, NORTH DAKOTA
PATRICK J. LEAHY, VERMONT
JIM SASSER, TENNESSEE
DENNIS DeCONCINI, ARIZONA
DALE BUMPERS, ARKANSAS
FRANK R. LAUTENBERG, NEW JERSEY
TOM HARKIN, IOWA
BARBARA A. MIKULSKI, MARYLAND
HARRY REID, NEVADA

TED STEVENS, ALASKA
LOWELL P. WEICKER, JR., CONNECTICUT
JAMES A. McCLURE, IDAHO
JAKE GARN, UTAH
THAD COCHRAN, MISSISSIPPI
ROBERT W. KASTEN, JR., WISCONSIN
ALFONSE M. D'AMATO, NEW YORK
WARREN RUDMAN, NEW HAMPSHIRE
ARLEN SPECTER, PENNSYLVANIA
PETE V. DOMENICI, NEW MEXICO
CHARLES E. GRASSLEY, IOWA
DON NICKLES, OKLAHOMA

FRANCIS J. SULLIVAN, STAFF DIRECTOR
J. KEITH KENNEDY, MINORITY STAFF DIRECTOR

United States Senate
COMMITTEE ON APPROPRIATIONS
WASHINGTON, DC 20510-6025

April 18, 1988

Hon. James A. Leslie, Jr.
Mayor
City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

Dear Mayor Leslie:

Enclosed please find the notification received from the Environmental Protection Agency, advising that ARC funding in the amount of $696,000, has been approved for the City of Hinton's sewerage project.

I am pleased to pass along this good news.

With best wishes, I am

Sincerely yours,

Robert C. Byrd

Robert C. Byrd

RCB:cgc

U. ENVIRONMENTAL PROTECTION AGENCY
EPA ASSISTANCE AGREEMENT/AMENDMENT
PART I - ASSISTANCE NOTIFICATION INFORMATION

C540401-04-1 | 3C-76

3. DATE OF AWARD: 04/13/88
4. MAILING DATE: 04/28/88

AGREEMENT TYPE
- Cooperative Agreement
- Grant Agreement
- Assistance Amendment: X

6. PAYMENT METHOD
☐ Advance ☐ Reimbursement X ☐ Letter of Credit
Send Payment Request To: Grants Management Branch

7. TYPE OF ACTION: Increase/Augmentation

8. RECIPIENT
City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

9. PAYEE
City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

EIN NO.

CONGRESSIONAL DISTRICT: 2nd

10. RECIPIENT TYPE: City

11. PROJECT MANAGER AND TELEPHONE NO.
James A. Leslie, Jr., Mayor
(304) 466-3255

12. CONSULTANT (WWT Construction Grants Only)
Lawson Engineering & Technical Service
P.O. Box 1419
Beckley, West Virginia 25802
(304) 466-4647

13. ISSUING OFFICE (City/State)
EPA, Region III
Philadelphia, PA 19106

14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO.
R. Fenton Roudabush, Chief
Southwest Projects Section
(215) 597-9131

15. EPA CONGRESSIONAL LIAISON & TEL. NO.: Patricia Gaskins 202/382-5184

16. STATE APPL ID (Clearinghouse)

17. FIELD OF SCIENCE: N/A

18. PROJECT STEP (WWT CG Only): II/III

STATUTORY AUTHORITY: Clean Water Act, Title II

20. REGULATORY AUTHORITY: 40 CFR Part 30 & 35

21. STEP 2 + 3 & STEP 3 (WWT Construction Only)

a. Treatment Level		3
b. Project Type		NEW
c. Treatment Process		2
d. Sludge Design		5

PROJECT TITLE AND DESCRIPTION
Increase due to Appalachian Regional Commission grant.

23. PROJECT LOCATION (Areas Impacted by Project)

City/Place	County	State	Congressional District
Hinton	Summers	WV	2nd

ASSISTANCE PROGRAM (CFDA Program No. & Title): 66.418

25. PROJECT PERIOD: 09/87 - 05/91

26. BUDGET PERIOD: N/A

COMMUNITY POPULATION (WWT CG Only): 5,100

28. TOTAL BUDGET PERIOD COST: N/A

29. TOTAL PROJECT PERIOD COST: $3,805,900

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$2,093,240	0	$2,093,240
EPA In-Kind Amount			
Unexpended Prior Year Balance			
Other Federal Funds ARC		$696,000	$ 696,000
Recipient Contribution			
State Contribution			
Local Contribution			
Other Contribution			
Allowable Project Cost	$2,093,240	0	$3,805,900

Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deoblig. Amount
Z6UBAO	88	68-11X0090	WARC01	8Z6U036006	41.11	$696,000

Form 5700-20C (2-86) Replaces the 6-part set version of EPA Form 5700-20A, which may be used until supplies are exhausted.

File

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
1201 Greenbrier Street
Charleston, West Virginia 25311

ARCH A. MOORE, JR.
Governor

RONALD R. POTESTA
Director

ROBERT K. PARSONS
Deputy Director

March 14, 1988

Mrs. Catherine Mastropieri, Chief
Grants Management Branch
Environmental Protection Agency
Region III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

RE: City of Hinton
C-540401-04

Dear Mrs. Mastropieri:

Transmitted is a request for a grant increase action on the above referenced project. The increase is due to a supplemental increase of ARC funds in the amount of $696,000.

The total eligible project cost of $3,805,900 reflects an EPA Grant of $2,789,240 which includes ARC funds of $696,000.

Should you have any questions, please contact Rosalie Ortega of my staff at (304) 348-0637.

Sincerely,

CONSTRUCTION GRANTS BRANCH

Mike Johnson

Mike Johnson, P.E.
Branch Head

MJ/JRw

Enclosures

cc: City of Hinton
Lawson Engineering & Technical Services
Ed Henry, WDA
Neil Walp, ARC

File

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
841 Chestnut Building
Philadelphia, Pennsylvania 19107

APR 0 4 1989

CERTIFIED MAIL

RE: C-540401-04
City of Hinton

Honorable James A. Leslie, Jr.
Mayor, City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

Dear Mayor Leslie:

We are pleased to inform you that a grant increase of $696,000 is approved for the City of Hinton, under the provisions of Section 214 of the Appalachian Regional Development Act of 1965, for the referenced project.

The grant supplements all previous awards made under the provisions of the Clean Water Act. The total grant for the project, therefore, is $2,789,240. You are reminded that the assurances given in accepting the original offer also apply to this supplemental grant.

The original and a copy of Assistance Amendment Number One are enclosed. The original copy of the Amendment should be signed and returned to Mrs. Catherine Mastropieri, Chief, Grants Management Branch, within twenty-one days of your receipt. The copy should also be signed and retained for your files.

DONE

Sincerely,

James M. Seif
Regional Administrator

Enclosures (2)

cc: Mr. Mike Johnson, WVDNR
Mr. Edgar Henry WDA
Mr. Neil Walp, ARC
Lawson Engineering & Technical Service

RECEIVED
FEB 03 1989
Construction Grants Branch

U.S. ENVIRONMENTAL PROTECTION AGENCY

ASSISTANCE AMENDMENT

(Optional)

(Please read instructions on reverse)

ASSISTANCE I.D. NO. C-540401-04

AMENDMENT NO. 1

NOTE: The original Amendment with one copy must be executed and returned to the Grants Administration Division for Headquarters assistance awards and to the Grants Administration Branches for State and local assistance awards within 3 weeks after receipt or within any extension of time as may be granted in writing by EPA. Except as may be otherwise provided, no costs as a result of the Amendment may be incurred prior to the execution of the Assistance Amendment by the parties thereto.

Receipt of a written refusal, or failure to receive the properly executed document within the prescribed time will result in the termination of consideration of the Assistance Amendment by EPA.

GENERAL INFORMATION

APPROPRIATION AND ACCOUNTING DATA

APPROPRIATION NUMBER	ACCOUNT NUMBER	OBJECT CLASS CODE
68-11X0090	8Z6U036006 WARC01	41.11 $696,000

DESCRIPTION OF AMENDMENT: PURSUANT TO EPA ASSISTANCE REGULATION 40 CFR 30.800 "PROJECT CHANGES AND ASSISTANCE MODIFICATIONS" AND 40 CFR 30.900-1 "FORMAL ASSISTANCE AMENDMENTS," THE ABOVE NUMBERED ASSISTANCE AGREEMENT IS AMENDED AS FOLLOWS:

Increase grant amount by $696,000 from $2,093,240 to $2,789,240, due to a supplemental increase of ARC funds.

Funding:

EPA		
Section 214 - ARC	$2,093,240	55.0
Non-Federal Funds	696,000	18.3
Total Eligible Project Cost	1,016,660	26.7
	$3,805,900	100%

Section 214 assistance is limited to the lesser of : (1) the amount specified above, or (2) the difference between the actual eligible project costs and the sum of the actual non-ARC basic grant(s) and the non-Federal funds specified above.

AWARD APPROVAL OFFICE	ISSUING OFFICE
ORGANIZATION: Water Management Division (3WM00)	ORGANIZATION: Grants Management Branch (3PM70)
ADDRESS: Environmental Protection Agency, 841 Chestnut Building, Philadelphia, Pennsylvania 19107	ADDRESS: Environmental Protection Agency, 841 Chestnut Building, Philadelphia, Pennsylvania 19107

RECIPIENT ORGANIZATION

NAME	ADDRESS
City of Hinton	P.O. Box 866, Hinton, West Virginia 25951

Except as provided herein all terms and conditions of the basic assistance agreement, including prior amendments, remain unchanged and in full force and effect and subject to all applicable provisions of 40 CFR Chapter I, Subpart B.

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
	James M. Seif, Regional Administrator	APR 04 1988

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
James A. Leslie, Jr.	James A. Leslie, Jr., MAYOR	April 26, 1988

EPA Form 5700-20B (Rev. 11-78) PREVIOUS EDITION IS OBSOLETE.

U.S. ENVIRONMENTAL PROTECTION AGENCY
EPA ASSISTANCE ~~AGREEMENT~~/AMENDMENT
PART I - ASSISTANCE NOTIFICATION INFORMATION

1. ASSISTANCE ID NO. C-5404[illegible]1-04-1
2. LOG NUMBER Three - C
3. DATE OF AWARD
4. MAILING DATE

5. AGREEMENT TYPE
Cooperative Agreement
Grant Agreement
Assistance Amendment X

6. PAYMENT METHOD
☐ Advance ☒ Reimbursement ☐ Letter of Credit
Send Payment Request To: Grants Management Branch

7. TYPE OF ACTION Increase/Augmentation

RECIPIENT ORGANIZATION

8. RECIPIENT
City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

9. PAYEE
City of Hinton
P.O. Box 866
Hinton, West Virginia 25951

EIN NO.
CONGRESSIONAL DISTRICT 2nd

10. RECIPIENT TYPE
City

11. PROJECT MANAGER AND TELEPHONE NO.
James A. Leslie, Jr., Mayor
(304) 466-3255

12. CONSULTANT (WWT Construction Grants Only)
Lawson Engineering & Technical Service
P.O. Box 1419
Beckley, West Virginia 25802
(304) 466-4647

EPA CONTACT

13. ISSUING OFFICE (City/State)
Philadelphia, Pennsylvania

14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO.
R. Fenton Roudabush, Chief
Southwest Projects Section
(215) 597-9131

15. EPA CONGRESSIONAL LIAISON & TEL. NO.
Patricia Gaskins (202)382-5184

16. STATE APPL ID (Clearinghouse)

17. FIELD OF SCIENCE N/A

18. PROJECT STEP (WWT CG Only) II/III

19. STATUTORY AUTHORITY
Clean Water Act, Title II

20. REGULATORY AUTHORITY
40 CFR Parts 30 & 35

21. STEP 2 + 3 & STEP 3 (WWT Construction Only)

a. Treatment Level	3	
b. Project Type	NEW	
c. Treatment Process	2	
d. Sludge Design	5	

22. PROJECT TITLE AND DESCRIPTION
Increase due to Appalachian Regional Commission grant.

23. PROJECT LOCATION (Areas Impacted by Project)

City/Place	County	State	Congressional District
Hinton	Summers	WV	2nd

24. ASSISTANCE PROGRAM (CFDA Program No. & Title) 66.418
25. PROJECT PERIOD 09/87 - 05/91
26. BUDGET PERIOD N/A
27. COMMUNITY POPULATION (WWT CG Only) 5,100
28. TOTAL BUDGET PERIOD COST N/A
29. TOTAL PROJECT PERIOD COST 3,805,900

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
30. EPA Amount This Action	2,093,240	0	2,093,240
31. EPA In-Kind Amount			
32. Unexpended Prior Year Balance			
33. Other Federal Funds ARC		696,000	696,000
34. Recipient Contribution			
35. State Contribution			
36. Local Contribution			
37. Other Contribution			
38. Allowable Project Cost	3,805,900	0	3,805,900

39. FISCAL

Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deoblig. Amount

COMMITMENT NOTICE

NOTE: Preparation and approval of this form does not constitute an obligation of money. The use of this form is intended to guarantee availability of money by reserving it for certain types of specified transactions.

THIS COMMITMENT TRANSACTION IN THE AMOUNT OF $ 696,000 (WHOLE DOLLARS) IS FOR:

[X] GRANT (Number C-540401-04 [ ] A PURCHASE REQUISITION [ ] A CONTRACT

[ ] OTHER (Specify):

DESCRIPTION OF PROJECT, GOODS, OR SERVICES

NAME OF GRANTEE/CONTRACTOR/VENDOR: City of Hinton

EMPLOYER IDENT. NO. (EIN):

TASK, ROAP, OR OTHER LOCAL IDENTIFIER: P.O. Box 866, Hinton, West Virginia 25951

SPECIAL COMMENTS OR INSTRUCTIONS

ALLOWANCE HOLDER APPROVALS (Optional, at discretion of Allowance Holder)

ALLOWANCE HOLDER TITLE

STAFF APPROVALS

SIGNATURE	DATE	PHONE

RESPONSIBILITY CENTER TITLE: Grants Management Branch

FUNDS CERTIFICATION

PREPARED BY	APPROVED BY
SIGNATURE: Rosalie Ortega, Section Leader	SIGNATURE: Kathleen Blinebury
DATE: March 18, 1988	DATE:

FOR RESPONSIBILITY CENTER USE ONLY

Contract negotiator is [ ] is not [ ] authorized to exceed amount shown above by up to 10% without securing further approval for funds.

THE AMOUNT OF MONEY SHOWN IS:

[ ] AN ORIGINAL COMMITMENT [X] AN INCREASE TO A PREVIOUS COMMITMENT [ ] A DECREASE TO A PREVIOUS COMMITMENT

FINANCIAL DATA (See instructions on reverse before filling out)

APPROPRIATION:

FMO USE	DOCUMENT CONTROL NO.	ACCOUNT NUMBER	OBJECT CLASS	DOLLAR AMOUNT
2 0 4 0			0 0	0 0
2 0 4 0			0 0	0 0
2 0 4 0			0 0	0 0
2 0 4 0			0 0	0 0

SBA Form 2550-1 (Rev. [illegible])

File

F34

APPALACHIAN REGIONAL COMMISSION

OFFICE OF THE
EXECUTIVE DIRECTOR
1666 Connecticut Avenue, N.W.
Washington, D.C. 20235
202/673-7874

October 7, 1987

Honorable Arch A. Moore, Jr.
Governor of West Virginia
State Capitol
Charleston, West Virginia 25305

Re: City of Hinton Sewage Treatment Plant Improvements, Summers County (WV-9880-87-Y1-214-0810)

Dear Governor Moore:

Enclosed is a copy of the Appalachian Regional Commission's approval of a grant for the referenced project dated October 5, 1987.

Appalachian Regional Commission funds in the amount of $696,000 have been made available to the Director of Grants Administration, Environmental Protection Agency.

Sincerely yours,

FRANCIS E. MORAVITZ
Executive Director

Enclosure

cc: State Alternate

APPALACHIAN REGIONAL COMMISSI[illegible]
1666 Connecticut Avenue, N.W.
Washington, D.C. 20235

REV (3-87)

TO: Harry Pippen
Director of Grants Administration
Environemental Protection Agency
401 M Street, S.W.
P.M. 216, Room SW 257
Washington, D.C. 20460

The Appalachian Regional Commission has approved a project for assistance under the Appalachian Regional Development Act of 1965 as amended, as follows:

City of Hinton Sewage Treatment Plant Improvements, Summers County, West Virginia - WV-9880-87-Y1-214-0810

FUNDING:

EPA	$2,093,240	55.0%
ARC	696,000	18.3
Local	1,016,660	26.7
Total Eligible Cost	$3,805,900	100.0%
Ineligible	318,100	
Total Cost	$4,124,000	

Undercrun. ARC funds are limited to the lesser of (1) the amount specified in ARC's most recent approval or (2) the difference between the actual eligible project cost and the sum of the actual non-ARC basic grants and the non-federal funds specified in ARC's most recent approval, unless otherwise directed by the Commission.

If Section 201 funding is specified, the following applies:

Percentage Limitation. ARC assistance is limited to the lesser of the amount specified above or 80 percent of eligible project cost.

Advisory Note for Education Projects. The State education agency monitoring this grant is requested to advise the grantee that the memorandum "Closeout of ARC-Assisted Education Projects-Clarification (P.L. 89-4, Sections 211(a), 211(b) and 214)", dated April 14, 1978, and disseminated by the Division of Vocational and Technical Education, U.S. Office of Education, prescribes closeout procedures to be adhered to in closing out this project.

APPROVED: [signature] OCT 0 5 1987
Federal Co-Chairman Date

APPALACHIAN REGIONAL COMMISSION
1666 Connecticut Avenue, N.W
Washington, D.C. 20235

Date:

Subject: City of Hinton Sewage Treatment Plant Improvements, Summers County, West Virginia - WV-9880-87-Y1-214-0810

To: The Federal Co-Chairman

The attached application from West Virginia is a request for $696,000 in Distressed Counties Funds for construction of a new 0.622 MGD secondary wastewater treatment plant and approximately 6700 feet of interceptor along the banks of the New River serving the City of Hinton and adjacent areas. The proposed project will upgrade the existing sewage treatment facility which is in violation of its NPDES permit (National Pollutant Discharge Elimination System Water Pollution Control Permit).

Total estimated cost of the construction project is $4,124,000. The Environmental Protection Agency has approved $2,093,240 in grant funds for the project and the City of Hinton will finance the local share totaling $1,334,760 from the sale of West Virginia Water Development Authority Bonds. EPA will administer the ARC grant funds during project construction.

The City of Hinton's Wastewater Treatment Plant, constructed in 1960, is located on the east bank of the New River approximately three (3) miles downstream of the Bluestone Dam. The present primary treatment plant must be updated with secondary treatment added in order to meet discharge limits established by federal and state regulations.

The secondary treatment plant is designed to serve a population of approximately 4,622 people. It is assumed that all future growth that occurs in the service area will be accommodated by the proposed treatment plant facility. The proposed treatment facility will utilize the activated sludge process and was selected primarily because of its cost-effectivenes and reliability.

The required secondary sewage treatment facility will bring the City of Hinton into compliance with acceptable wastewater discharge levels. Monthly service charges are estimated to be $19.87 for area residents living in this Distressed County.

The secondary sewage treatment plant facility will provide the much needed basic service that the City is under orders to construct. The project meets the criteria for ARC Distressed County programs and is recommended.

The project is consistent with the West Virginia ARC Development Plan of record and is included in its approved FY '87 Investment Program. The project is consistent with the ARC Act and Code. Approval is recommended.

FRANCIS E. MORAVITZ
Executive Director

ALL STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE, CRANFORD NJ 07016

ED 11-2C

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

ACCEPTANCE OF DUTIES OF REGISTRAR

ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association with its principal office in the City of Charleston, West Virginia, hereby accepts appointment as Registrar in connection with The City of Hinton Sewer Revenue Bonds, Series 1990 A and Series 1990 B, all dated June 14, 1990, in the aggregate principal amount of $667,000 (collectively "the Bonds") and agrees to perform all duties of Registrar in connection with such Bonds, all as set forth in the Local Act authorizing issuance of the Bonds.

Dated this 14th day of June, 1990.

ONE VALLEY BANK, NATIONAL ASSOCIATION

By Charlotte S. Morgan
Its Corporate Trust Administrative Officer

06/12/90
HINTOND.Y3
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016

ED 11-2C

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A, Series 1990 B and Series 1990 C

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

THE FIRST NATIONAL BANK OF HINTON, a national banking association, with principal office in Hinton, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of The City of Hinton, enacted June 12, 1990, authorizing issuance of the City's Sewer Revenue Bonds, Series 1990 A, Series 1990 B and Series 1990 C, all dated June 14, 1990, in the aggregate principal amount of $1,335,000 (collectively, the "Bonds") and agrees to perform all duties of Depository Bank in connection with such Bonds, all as set forth in said Ordinance.

Dated this 14th day of June, 1990.

THE FIRST NATIONAL BANK OF HINTON

By _____
Its Sec. V.P.

06/11/90
HINTONB.Z2
41455\89001

THE CITY OF HINTON

Sewer Revenue Bonds,
Series 1990 A and Series 1990 B

CERTIFICATE OF REGISTRATION OF BONDS

I, CHARLOTTE S. MORGAN, Corporate Trust Administrative Officer of One Valley Bank, National Association, as Registrar under the Local Act and Registrar's Agreement providing for the $667,000 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A and Series 1990 B, of The City of Hinton (the "Issuer"), hereby certify that on the 14th day of June, 1990, the single fully registered Series 1990 A Bond of the Issuer in the principal amount of $637,262 designated "Sewer Revenue Bond, Series 1990 A," numbered AR-1, and the single fully registered Series 1990 B Bond of the Issuer in the principal amount of $29,738 designated "Sewer Revenue Bond, Series 1990 B," numbered BR-1, were registered as to principal and interest (the Series 1990 B Bond being 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 One Valley Bank, National Association, as Registrar.

WITNESS my signature as of this 14th day of June, 1990.

ONE VALLEY BANK, NATIONAL ASSOCIATION

By Charlotte S. Morgan
Its Corporate Trust Administrative Officer

06/12/90
HINTOND.AA3
41455/89001

ALL-STATE LEGAL SUPPLY CO ONE COMMERCE DRIVE CRANFORD NJ 07016

ED 11-2C

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 14th day of June, 1990, by and between THE CITY OF HINTON, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and ONE VALLEY BANK, NATIONAL ASSOCIATION, a national banking association (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $667,000 aggregate principal amount of Sewer Revenue Bonds, Series 1990 A and Series 1990 B, in fully registered form (collectively, the "Bonds"), pursuant to a Bond Ordinance enacted June 12, 1990, and a Supplemental Resolution adopted June 12, 1990 (collectively, the "Local Act");

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 Local Act, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Local Act provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Local Act and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Local Act 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 Local Act, 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, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Local Act with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Local Act, the terms of the Local Act 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 Local Act 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
P. O. Box 866
Hinton, West Virginia 25951
Attention: Mayor

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

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

IN WITNESS WHEREOF, THE CITY OF HINTON and ONE VALLEY BANK, NATIONAL ASSOCIATION 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 James A. Leslie Jr.
Its Mayor

ONE VALLEY BANK, NATIONAL ASSOCIATION

By Charlotte L. Morgan
Its Corporate Trust Administrative Officer

06/12/90
HINTONB.BB2
41455\89001

EXHIBIT A

[Included in transcript as Document No. 1]

SCHEDULE OF COMPENSATION

Invoice

ONEVALLEY BANK

THE CITY OF HINTON
P O BOX 866
HINTON, WV 25951
ATT: THE HONORABLE JAMES A. LESLIE, JR.

DATE JUNE 14, 1990

UNITS	ITEM DESCRIPTION	TOTAL
	$667,000 PAR CITY OF HINTON SEWER REVENUE BONDS 1990 SERIES A AND SERIES B.	
	ONE TIME FEE FOR SERVICES AS REGISTRAR AND AUTHENICATING AGENT	$500.00

SEND REMITTANCE TO: One Valley Bank
One Valley Square
P.O. Box 1793
Charleston, WV 25326

Attn: CHARLOTTE S MORGAN

ALL-STATE LEGAL SUPPLY CO., ONE COMMERCE DRIVE CRANFORD, NE... JEY 07016

FD 11-2C

ASSIGNMENT SEPARATE FROM BOND

FOR VALUE RECEIVED, the West Virginia Water Development Authority hereby sells, assigns and transfers unto One Valley Bank, National Association, Charleston, West Virginia, the Sewer Revenue Bond, Series 1990 A, of The City of Hinton in the principal amount of $637,262, numbered AR-1, standing in the name of West Virginia Water Development Authority on the books of said Issuer.

Dated: June 14, 1990.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By Daniel B. Yankosky
Authorized Representative

06/12/90
HINTONB.CC2
41455/89001

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD, N... JERSEY 07016

ED 11-2C

WRD 1A-82
Revised 5-89

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RESOURCES
1201 Greenbrier Street
Charleston, West Virginia 25311

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

WATER POLLUTION CONTROL PERMIT

Permit No. WV0024732

Issue Date: August 2, 1989

Subject: Sewage Facilities

Effective Date: September 2, 1989

Expiration Date: August 1, 1994

Supersedes: WV/NPDES Permit No. WV0024732 Issue Date July 20, 1984

Location: Hinton (City) Summers (County) Kanawha (Drainage Basin)

Outlet Sites: Latitude: 37 ° 42' 05 " N
Longitude: 80 ° 53' 17 " W

To whom it may concern:

This is to certify that **City of Hinton**, Sanitary Board, P. O. Box 866, Hinton West Virginia 25951 is hereby granted a NPDES Water Pollution Control Permit to operate and maintain an existing wastewater collection system comprised of approximately 132,000 linear feet of gravity sewer lines ranging from six(6) inches to 15 inches in diameter, 300 manholes, one(1) lift station, 4,000 linear feet of six(6) inch diameter force main and all requisite appurtenances.

To construct, install, operate and maintain a 0.625 MGD activated sludge wastewater treatment plant comprised of the existing grit removal system, a mechanically cleaned bar screen, conversion of the existing chlorine contact chamber into an influent lift station with approximately 7,010 linear feet of 12 inch diameter force main, two(2) 40 feet by 80 feet by 14 feet sidewater depth aeration chambers, two(2) 40 feet in diameter each clarifiers, ultraviolet disinfection facilities, a 30 feet in diameter sludge holding tank, a sludge dewatering belt press and all requisite appurtenances.

Facilities are designed to serve a population of approximately 4,622 persons in the City of Hinton and discharge treated wastewater to the New River (approximately 59.7 miles from its mouth) of the Kanawha River.

This permit is subject to the following terms and conditions:

Department of Health Certificate of Approval No. 1836.

The information submitted on and with Permit Application No. WV0024732 dated the 20th day of April 1989, the information submitted with Permit Modification Application No. WV0024732-A dated the 10th day of March 1989 and the information submitted with Permit Application No. WV0024732 dated the 3rd day of March 1983 are all hereby made terms and conditions of this Permit with like effect as if all such permit application information

was set forth herein, and with other conditions set forth in Sections A, B, C, D, E, F, and G.

SEWAGE TREATMENT FACILITIES CONSTRUCTED IN ACCORDANCE WITH:
Plans, Specifications and Reports:

Date Received: September 1, 1988 (Contract 1); October 13, 1988 (Contract 2); July 5, 1989 (Latest Revisions);

Prepared By: Lawson Engineering and Technical Services; P. O. Box 1419; Beckley, WV 25802.

Title: City of Hinton; Contract 1 - Wastewater Treatment Plant; Contact 2 - Force Main; EPA Project No. C-540401-04.

A. DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

During the period beginning with plant start-up and lasting through midnight, August 1, 1994
the permittee is authorized to discharge from outlet number(s) 001-Discharge from sewage treatment faciliteis

Such discharges shall be limited and monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations (Quantity) lbs/day Avg. Monthly	Max. Daily	Other Units (Specify) Avg. Monthly	Max. Daily	Monitoring Requirements Measurement Frequency	Sample Type
Flow			0.625 MGD		Continuous	Measured
Biochemical Oxygen Demand (5-Day)	156.4	312.8	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Suspended Solids	156.4	312.8	30.0 mg/l	60.0 mg/l	1/Month	8 hr. composite
Total Kjeldahl Nitrogen (TKN)	93.8	187.6	18.0 mg/l	36.0 mg/l	1/Month	8 hr. composite
Fecal Coliform			200 counts/100 ml	400 counts/100 ml	1/Month	Grab

The ph shall not be less than 6.0 standard units and not greater than 9.0 standards units and shall be monitored monthly by grab sampling.

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Effluent
BOD_5 samples shall be collected at a location immediately preceding disinfection. Other effluent samples shall be collected at or as near as possible to the point of discharge.
This discharge shall not cause violation of Series I, Section 3 of the West Virginia Legislative Rules issued pursuant to Chapter 20, Article 5A.

A. Sewer System Overflow

Outlet numbers 002 through 004 (listed below) serve as combined sewer relief points necessitated by stormwater entering the sewer system and exceeding the hydraulic capacity of the sewer and/or the treatment plant and are permitted to discharge only for such reason. There are at this time no specified effluent limitations on these discharges. Each overflow event shall be monitored for cause, frequency, duration, quality and quantity of flow. This data shall be reported monthly to the Division of Water Resources and the Environmental Protection Agency as an attachment to the Discharge Monitoring Report form. The Division of Water Resources shall require a plan of action to correct such occurrences if degradation of the receiving stream results.

Outlet Number	Name and Location	Receiving Stream
002	Main Lift Station Overflow Latitude 37° 41'10" N Longitude 80° 52'33" W	New River
003	Belle Point Lift Station Overflow Latitude 37° 39'09" N Longitude 80° 53'08" W	New River
004	Avis Overflow Behind Gore's Auto Body	New River

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. WV0024732, dated the 20th day of April, 19 89 ; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the State Water Resources Board.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0024732, dated the 20th day of April, 19 89 , and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Article 5A, Chapter 20 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Article 5A, Chapter 20 of the Code of West Virginia and is transferable under the terms of Section 7 of said article.

By: Chief

LEM:JDM:mll

WRD 2A-82
Revised 3-89

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME Hinton, City of

LOCATION OF FACILITY Hinton, Summers County

PERMIT NUMBER WV0024732 OUTLET NO. 001

WASTELOAD FOR MONTH OF _____ 19 ____

COMMERCIAL LABORATORY NAME

COMMERCIAL LABORATORY ADDRESS

INDIVIDUAL PERFORMING ANALYSES

Parameter		Quantity					Other Units					Measurement Frequency	Sample Type
		Minimum	Avg. Monthly	Max. Daily	Units	N.E.	Minimum	Avg. Monthly	Max. Daily	Units	N.E.		
Flow, in Conduit or thru trmt. plant 50050	Reported	****	****	****	****								
	Permit Limitation	****	****	****	****		N/A	0.625	N/A	MGD		Continuous	Measured
BOD, 5-Day (20 Deg. C) 00310	Reported												
	Permit Limitation	N/A	156.4	312.8	lbs/day		N/A	30.0	60.0	mg/l		1/Month	8 hour composite
Solids, Total Suspended 00530	Reported												
	Permit Limitation	N/A	156.4	312.8	lbs/day		N/A	30.0	60.0	mg/l		1/Month	8 hour composite
Nitrogen, Total Kjeldahl (as N) 00625	Reported												
	Permit Limitation	N/A	93.8	187.6	lbs/day		N/A	18.0	36.0	mg/l		1/Month	8 hour composite
Coliform, Fecal General 74055	Reported	MF.	- -	MPN									
	Permit Limitation	Circle	Method	Used			N/A	200	400	counts 100 ml		1/Month	Grab
pH 00400	Reported	****	****	****	****								
	Permit Limitation	****	****	****	****		6.0	N/A	9.0	Std. Units		1/Month	Grab
	Reported												
	Permit Limitation												

Name of Principal Exec. Officer

Title of Officer

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Exec. Officer or Authorized Agent

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NJ. JEY 07016

EO 11-20

SEWAGE DISPOSAL NOTICE

The following ordinance providing for the construction of extensions and improvements to the sewage system of The City of Hinton, West Virginia, and making provisions for the issuance and sale of Sewer Revenue Bonds to pay the cost thereof, not otherwise provided, was adopted at a meeting of the Council of said city on the 20th day of September, 1960.

Said city contemplates the issuance of said bonds and a public hearing in connection therewith will be held at the City Hall in said city on October 21, 1960, at 7:30 o'clock P.M., at which time and place all persons interested are now and hereby notified that they may appear before the Council of said city and then and there may present protests against the said ordinance and the issuance of said bonds.

Neta A. Jordan,
City Recorder.

AN ORDINANCE making provision for the issuance of Sewer Revenue Bonds of The City of Hinton, West Virginia, for the purpose of defraying the cost, not otherwise provided, of constructing extensions and improvements to the sewage system, setting forth the terms and conditions upon which said bonds and additional bonds ranking on a parity therewith are to be and may be issued and outstanding, and providing for the collection, segregation and distribution of income and revenues from the operation of the sewage system of said city so as to pay said bonds and interest thereon.

WHEREAS The City of Hinton, in Summers County, West Virginia, presently owns and operates the sewage system works and facilities (hereinafter in this ordinance referred to as "sewage system") supplying sewer service in and to said city and its inhabitants; and

WHEREAS the Sanitary Board of said city has deemed it advisable and necessary in the public interest that said city construct extensions and improvements to the municipal sewage system of said city, together with appurtenances necessary or useful in connection therewith, generally described as consisting of sewage treatment plant, feeders and interceptor lines and appurtenances, all as contemplated and provided by the report of December 1st, 1959, prepared by Dennis M. Leary, Jr., Consulting Engineer, retained by said Board, and it is also deemed advisable and necessary in the public interest by this Council that said extensions and improvements be so constructed; and

WHEREAS, the cost of said extensions and improvements including financing, engineering, legal and other pertinent costs, has been estimated by the engineer aforesaid to be $861,000.00, and said Sanitary Board has petitioned this Council to enact this ordinance ordering the construction of said extensions and improvements and providing for the

issuance of revenue bonds to pay a portion of the cost thereof with the balance of said cost to be paid through grants-in-aid toward such construction to be received by said city from the United States of America; and

WHEREAS pursuant to the provision of Article 13 of Chapter 16 of the West Virginia Code, said city is now authorized and permitted to issue revenue bonds for the purpose of paying the cost, not otherwise provided, of said extensions and improvements, and it is necessary at this time that provisions be made for the issuance of such bonds to the amount of $720,000 for the purpose aforesaid and to set forth the conditions and restrictions upon which such bonds and any additional bonds ranking on a parity therewith for paying the cost of improvements and extensions to said sewage system are to be and may be issued and outstanding;

NOW, THEREFORE, Be It Ordained by the Council of The City of Hinton, West Virginia, as follows:

Section 1. That all proceedings heretofore taken relative to the creation and organization of the Sanitary Board of said City of Hinton and to the construction of extensions and improvements to the sewage system of said city, be and the same are hereby in all respects ratified and confirmed.

Section 2. That the construction of the extensions and improvements referred to in the preamble of this ordinance with all necessary appurtenances is hereby ordered, and for the purpose of paying the costs thereof, not otherwise provided, there be issued the bonds of said city to be known as "Sewage Revenue Bonds", in the principal amount of $720,000, which bonds shall bear date of October 1, 1960, be of the denomination of $1,000 each, numbered consecutively 1 to 720, inclusive, and mature in numerical order on October 1 of the respective years as follows:

YEAR	AMOUNT	YEAR	AMOUNT
1963	$7,000	1982	$17,000
1964	7,000	1983	18,000
1965	7,000	1984	19,000
1966	8,000	1985	19,000
1967	8,000	1986	21,000
1968	8,000	1987	22,000
1969	9,000	1988	23,000
1970	9,000	1989	24,000
1971	10,000	1990	25,000
1972	10,000	1991	26,000
1973	11,000	1992	28,000
1974	11,000	1993	29,000
1975	12,000	1994	30,000
1976	12,000	1995	32,000
1977	13,000	1996	34,000
1978	14,000	1997	35,000
1979	14,000	1998	37,000
1980	15,000	1999	39,000
1981	16,000	2000	41,000

provided, however, said bonds numbered 118 to 720, inclusive, shall be redeemable before maturity at the option of said city on October 1, 1975, and on any interest payment date thereafter in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) upon terms of par and accrued interest to the date fixed for redemption, plus a redemption premium of three per cent (3%) of the principal amount thereof; and in the event of such redemption said city will cause notice identifying the bonds to be redeemed to be given by publication at least once in a newspaper of general circulation published in the City of Charleston, West Virginia, not less than thirty days prior to such redemption date. All such bonds thus called for redemption, and for the payments of which funds are provided on the redemption date will cease to bear interest thereafter.

Said bonds numbered 1 to 218, inclusive, shall bear interest at the coupon rate of four and three-quarters per cent (4 3/4%) per annum; and bonds numbered 218 to 720, inclusive, at the coupon rate of five per cent (5%) per annum. All interest as aforesaid shall be evidenced by proper interest coupons attached to each of said bonds and to be payable semi-annually on the first days of April and October in each year.

Both principal and interest shall be payable in lawful money of the United States at the office of the State Sinking Fund Commission of West Virginia, in the City of Charleston, West Virginia. Said bonds shall be signed by the Mayor and attested by the Recorder of said city and sealed with its corporate seal, and the interest on said bonds shall be evidenced by coupons attached thereto, which shall be executed with the facsimile signatures of said Mayor and City Recorder, and said officials by the execution of said bonds shall adopt as and for their own proper signatures their respective facsimile signatures on said coupons. All of said bonds, and the interest thereon, together with any additional bonds ranking on a parity therewith issued under conditions and restrictions hereinafter set forth, shall be payable out of the special fund hereinafter referred to and the portion of the net revenues of the sewage system of said city pledged to said fund.

Section 3. That upon presentation at the office of the Recorder of said city of any of said bonds same may be registered as to principal in the name of the owner on the books in his office, such registration to be noted on the reverse side of the bonds by the City Recorder, and thereafter the principal of such registered bonds shall be payable only to the registered holder, his legal representatives, or assigns. Such registered bonds shall be transferable to another registered holder, or back to bearer, only upon presentation to said City Recorder with a legal assignment duly acknowledged and proved. Registration of any of such bonds shall not affect the negotiability of the coupons thereto attached, but such coupones shall be transferable by delivery merely.

Section 4. That said bonds and coupons and provisions for registration shall be in substantially the following form, to-wit:

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF HINTON
SEWER REVENUE BONDS

No. ____

$1,000

KNOW ALL MEN BY THESE PRESENTS: That The City of Hinton, in the County of Summers and State of West Virginia, for value received, hereby promises to pay from the special fund provided therefor as hereinafter set forth, to the bearer or, if this bond be registered as to principal, to the registered holder hereof, on the first day of October, 19___, the sum of One Thousand Dollars ($1,000) and from said special fund to also pay interest on said sum from the date hereof until paid at the rate of _____ per cent (%) per annum semiannually on the first days of April and October in each year, except as the provisions hereinafter set forth with respect to redemption may be and become applicable hereto, all such interest as may accure on and prior to the maturity date hereof to be payable only upon presentation and surrender of the coupon hereto appertaining as they severally become due, both the principle of and interest on this bond being payable in lawful money of the United States of America, at the office of the State Sinking Fund Commission of West Virginia, in the City of Charleston, West Virginia.

This bond is one of a series of bonds numbered consecutively from 1 to 720, inclusive, issued by said city pursuant to ordinance duly enacted for the purpose of defraying the cost, not otherwise provided, of constructing extensions and improvements and necessary appurtenances to its sewage system under and in full compliance with the Constitution and statutes of the State of West Virginia, including among others, Article 13 of Chapter 16 of the West Virginia Code.

Bonds numbered 118 to 720, inclusive, of the series of which this bond is one shall be optional for redemption by said city prior to maturity on October 1, 1975, and on any interest payment date thereafter in whole or from time to time in part in the inverse order of their maturities (less than all of a single maturity to be selected by lot) upon terms of par and accrued interest to the date fixed for redemption, plus a redemption premium of three per cent (3%) of the principal amount thereof, and in the event of such redemption it is hereby agreed that notice identifying the bonds to be redeemed will be given by publication at least once in a newspaper of general circulation published in the City of Charleston, West Virginia, not less than thirty days prior to such redemption date. All such bonds thus called for redemption, and for the retirement of which funds are duly provided will cease to bear interest on the redemption date.

This bond and the series of which it is one, together with any additional bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions set forth in said ordinance, are payable only

from and secured by net income and revenues to be derived from the operation of the municipal sewage system of said city, which shall be sufficient to pay the principal of and interest upon said bonds as and when the same become due and payable, and which shall be set aside as a special fund and is hereby pledged for that purpose. This bond does not constitute a corporation indebtedness of The City of Hinton within the meaning of any constitutional or statutory provisions or limitations, nor shall said city be obligated to pay this bond or interest thereon from any other funds. Said city covenants it will fix such rates for service of said sewage system and will collect and account for income and revenues therefrom sufficient to promptly pay the expenses of operation, repair and maintenance of said system and the principal of and interest on this bond such rates for service of said and the series of which it is one as the same will become due.

This bond is fully negotiable but may be registered as to principal only in the name of the holder on the books of said city in the office of its City Recorder, such registration to be evidenced by notation on the back hereo by the City Recorder, after which no transfer shall be valid unless made on said books and similarly noted thereon, but it may be discharged from such registration by being transferred to bearer, after which it shall be transferable by delivery but it may be again registered as before. The registratio of this bond as to principal shall not restrain the negotiability of the coupons by delivery merely.

This bond is exempt from taxation by the State of West Virginia and any county or municipality therein.

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 said city, 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 income and revenues of the sewage system of said city has been pledged to and will be set aside into said special fund by said city for the prompt payment of the principal and interest on this bond and the series of which it is one.

IN WITNESS WHEREOF, The City of Hinton has caused this bond to be signed by its Mayor, attested by its City Recorder, and its corporate seal to be hereunto attached to be executed with the facsimile signature of said Mayor and City Recorder, which officials by the execution of this bond do adopt as and for their own proper signatures their respective fascimile signatures appearing on said coupons, and this bond to be dated as of the first day of October, 1960.

Harold B. Eagle, Mayor.

Attest:

Neta A. Jordan, City Recorder

(Form of Coupon)

No. ____ $ _____

On the first day of _____, 19 ___, The City of Hinton, West Virginia, will pay to bearer _____ Dollars ($) out of the special fund provided therefor, at the office of the State Sinking Fund Commission of West Virginia, in Charleston, West Virginia, as provided in and for interest then due on its Sewer Revenue Bond dated October 1, 1960, Number ____.

_____
Mayor

Attest:

_____
City Recorder

(Form for Registration to be printed on the back of each bond)

Date of Registration	In Whose Name Registered	Signature of City Recorder

Section 5. That from and after the issuance of any of the bonds herein authorized, the municipal sewage system of said City of Hinton shall be operated as a revenue producing and self-liquidating undertaking and the revenues derived from the rates and charges for sewer service shall be set aside into a separate and special fund hereby created and designated as the "Sewer Revenue Fund" to be used (1) to pay the reasonable expenses of operation, repair and maintenance of the system; (2) to pay when due the interest on and principal of the bonds hereby authorized and any additional bonds ranking on a parity therewith from time to time outstanding; and to pay the fiscal agency charges for paying all such interest and principal; and to accumulate and maintain a margin of safety and reserve for payment of all of said bonds and interest thereon; and (3) to provide proper funds for a depreciation account.

(1) There is hereby created a special fund to be designated "Operation and Maintenance Fund", into which there shall be paid each month from said

revenues the amount of the reasonable expenses of operation, repair and maintenance of the municipal sewage system of said city, and said special fund shall be used and disbursed only for that purpose.

(2) There is hereby created a special fund to be designated "Sewer Revenue Bond Interest and Sinking Fund" (hereinafter sometimes referred to as the "Sinking Fund") into which there shall be paid all or such portion of the balance of said revenues as shall be sufficient to pay, when due, (a) the interest upon all of the bonds outstanding under provisions of this ordinance including any bonds ranking on a parity with the bonds herein authorized. (b) the necessary fiscal agency charges for paying all of said bonds and interest therein, (c) the principal amount of all of said bonds, and (d) to provide a margin of safety and reserve for the payment of all of said bonds and interest thereon, and it is hereby determined that the minimum amounts so to be paid into the special fund for account of the bonds herein authorized during the respective years shall be not less than as follows.

All sums received as accrued interest in the issuance and sale of the bonds hereby authorized together with a portion of the bond proceeds equal in the aggregate to the sum of $35,500.00 representing interest on the bonds hereby authorized during the construction of the extensions and improvements to the municipal sewage system of said city shall be paid into said sinking fund. From and after the issuance of any of the bonds hereby authorized there shall be paid into said sinking fund each month the sum of not less than $4,225.00, provided that when there shall have been accumulated and maintained in said sinking fund an amount equal to $85,000 than the amount to be so set aside and paid into said sinking fund each month may be reduced to not less than the sum of $3,525.00. No further payments need to be made into said sinking fund after and so long as such amount of the bonds shall have been retired that the amount then held in said sinking fund is equal to the entire amount required for the retirement of the bonds and to pay all interest that will have accrued and become due at the time of such retirement.

Whenever and to whatever extent additional bonds ranking on a parity with the bonds herein specifically authorized are hereafter issued under the conditions and restrictions hereinafter set forth provisions shall be made at or before the time of such issuance for additional monthly payments into said sinking fund for meeting the interest and principal requirements of such additional bonds, paying the additional fiscal agency charges thereon, and to accumulate and maintain a margin of safety and reserve therefor in like manner as such provisions are herein made for the bondsherein specifically authorized.

The amount by which any balance in said sinking fund exceeds the current interest and principal requirements shall be held in said sinking fund as a reserve for contingencies and used solely as herein provided. If in any month the city shall for any reason fail to pay into said sinking fund the respective minimum amounts, then an amount equivalent to such deficiency shall be set apart and paid into said fund from the first available revenues of the following month or months, as the case may be, and same shall be in addition to the amount otherwise herein provided to be so set apart and paid during each succeeding month or months.

If for any reason the city shall fail to make any such payment into said sinking fund, as aforesaid, any sums then held as a reserve for contingencies shall be used for the payment of any portion of the interest on or principal of said bonds as to which there would otherwise be default, but such reserve shall be reimbursed therefor from the first available payments made into the sinking fund in the following month or months in excess of the required payments.

Such payments into said fund shall be made on or before the fifteenth day of each month except that when the fifteenth day of any month shall be a Sunday or a legal holiday then such payment shall be made on the next succeedi secular day and all such payments shall be remitted to the State Sinking Fund Commission of West Virginia with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this ordinance.

Said sinking fund shall be used solely and only and is hereby pledged for the purpose of servicing the bonds herein authorized to be issued and any additional bonds ranking on a parity therewith that may be issued and outstanding under the conditions and restrictions hereinafter set forth. No funds in said sinking fund shall be used to retire bonds in advance of maturity except that part in excess of actual principal and interest requirements for the succeeding twelve months on bonds then outstanding and the required reserve unless all bonds then outstanding are to be retired.

(3) There is hereby created a special fund to be designated "Depreciati Fund", into which there shall next be set apart and paid from said Sewer Revenue Fund each month, after making the payments hereinbefore specified int the operation and maintenance fund and sinking fund, an amount equal to 10 percent of the gross revenue paid into said Sewer Revenue Fund during the preceding monthly period until the amount in said fund shall aggregate $70,000.00, and whenever withdrawals are made from said fund so as to reduce the balance therein to less than $70,000.00 the payments shall continue so as to restore the amount therein to at least $70,000.00. All funds in said Depreciation Fund shall be kept apart from all other municipal funds, or all or any part of said funds may be invested in or other direct or fully guaranteed obligations of the United States of America maturing or being subject to retirement at the option of the holder within not more than ten years from the date of such investment. Withdrawals and disbursements may be made from said Depreciation Fund for renewals or replacements to the municipal sewage system or for improvements or extensions thereto, and provided also that withdrawals and disbursements shall be made from said Depreciation Fund to meet the payment of interest on or principal of the bonds herein authorized and any additonal parity bonds to whatever extent and if for any reason funds in the sinking fund are insufficient for such purpose and withdrawals and disbursements shall also be made, from said Depreciation Fund to meet the payment of current costs of operation and maintenance of the sewage system of the city to whatever extent and if for any reason funds in the operation and maintenance fund are insufficient for that purpose.

(4) Whenever all specified and required payments from Sewer Revenue Fund into the special funds hereinbefore provided have been made and there is a balance in said Sewer Revenue Fund in excess of the estimated amounts

to be so paid into the operation and maintenance fund and the sinking fund during the succeeding three months, such excess shall be withdrawn and paid into a special fund hereby created and designated "Reserve Fund". Withdrawals and disbursements shall be made from said Reserve Fund 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 said 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.

Section 6. The rates for all services rendered by the sewage system of said city shall be reasonable and just, taking into account and consideration the cost and value of said system and the cost of maintaining, repairing and operating the same and the proper and necessary allowances for depreciation thereof and the accounts necessary for the retirement of all bonds and the accruing interest on all such bonds, and there shall be charged such rates and amounts as shall be adequate to meet the requirements of this and the preceding section hereof. Compensation for services, if any, rendered to said city shall in like manner be charged against the city and payment for same shall be made from its corporate funds. The proceeds or income from all charges and contracts for sewers and sewage system within or outside the corporate limits of said city shall be included and accounted for as other income and revenues of said system.

In so far as consistent with the laws of West Virginia, said city agrees that so long as any of the bonds hereby authorized remain outstanding it will keep proper books of record and account, separate from all other municipal records and accounts, showing complete and correct entries of all transactions relating to said sewage system, and will cause such books of record and account to be audited annually by an independent certified public accountant. A copy of each such audit shall be furnished to the original purchaser of the bonds hereby authorized and copies thereof shall be made available for any bondholder requesting same. The holders of any of said bonds shall have the right at all reasonable times to inspect the system and all records, accounts and data relating thereto. The city hereby further agrees to furnish monthly to the original purchaser of the bonds hereby authorized a copy of each letter of transmittal from the city to the State Sinking Fund Commission accompanying the remittance of said city of its monthly payment into the sinking fund, as hereinbefore provided, but only if and to the extent the forms of such letter of transmittal are supplied by said purchaser.

It is hereby represented and certified that a sanitary board for said city has heretofore been lawfully created and organized and placed in charge of the operation of its municipal sewage system and that prior to the issuance of any of said bonds equitable rates or charges for the use of and service rendered by said sewage system will be established pursuant to a public hearing, all in the manner and form required by Section 1409 (30) of the West Virginia Code; that copies of such rates or charges so established will be continuously on file in the office of said Sanitary Board and in the office of the Recorder, each of which copies will be open to inspection by all parties interested. The schedule of rates or charges shall at all times be adequate to produce gross revenues and income from said sewage system to pay the expenses of operation, repair and maintenance thereof and leave a balance

of net revenues and income sufficient to make the prescribed payments into the sinking fund and depreciation fund as hereinbefore set forth. Such schedule shall be changed and readjusted whenever necessary so that the aggregate of the rates or 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 city hereby covenants and agrees to charge and collect such rates and charges for the services rendered by said municipal sewage system so that the gross income and revenue therefrom will be sufficient to provide for all expenses of operation, repair and maintenance of said municipal sewage system and leave a balance each year equal to at least 1.35 times the amount required in such year to pay all bonds and interest thereon becoming due in such year for the payment of which such income and revenue is or shall have been pledged, charged or otherwise encumbered.

All rates or charges if not paid when due shall constitute a lien upon the premises served, and if not paid within thirty days after the same become due, the amount thereof, together with a penalty of ten per cent and reasonable attorney's fees may be recovered and shall be enforced by the Sanitary Board in a civil action in the name of the municipality, and as a part of such action the lien aforesaid may be foreclosed in accordance with the laws relating to the enforcement of such liens all as permitted and provided by Section 1409 (30) of the West Virginia Code.

Section 7. The City of Hinton hereby covenants and agrees with the holder or holders of the bonds therein authorized to be issued, or any of them, that it will faithfully and punctually perform all duties with reference to said sewage system required by the Constitution and laws of the State of West Virginia, including the making and collecting of reasonable and sufficient rates for services rendered by said system, and will segregate the revenue therefrom and make application thereof consistent with and as provided by this ordinance; and said city hereby irrevocably covenants, binds and obligates itself not to sell, lease, mortgage or in any manner dispose of any integral part of said system, including any and all appurtenances thereto and extensions and additions that may be made thereto, until all the bonds herein authorized to be issued and any additional bonds ranking on a parity therewith shall have been paid in full, both principal and interest, or legal and sufficient provision for such payment shall have been made, and further covenants and agrees with the holders of said bonds to maintain in good condition and continuously operate said system and appurtenances and to charge and collect such rates or charges for services rendered thereby so that the gross revenues will be sufficient at all times to provide for the payment of the operation, repair and maintenance of said system and leave net amounts to be paid into the sinking fund and Depreciation Fund as provided herein.

Section 8. That any holder of said bonds or of any of the coupons may either at law or in equity, by suit, action, mandamus or other proceedings protect and compel performance of all duties imposed or required by this ordinance or the law pursuant to which said bonds are to be issued, including the making and collecting of sufficient rates and segregation of the income and revenues and the application thereof. That upon the filing of suit by any holder of said bonds or of any of the coupons, any court having

jurisdiction of action may appoint a receiver to administer said system on behalf of the city, with power to charge and collect rates sufficient to provide for the payment of any bonds or obligations outstanding against said system and for the payment of the operating expenses, and to apply the income and revenues in conformity with this ordinance and the provisions of said statute laws of West Virginia aforesaid.

Section 9. The bonds authorized to be issued hereunder and from time to time outstanding shall not be entitled to priority one over the other in the application of the income and revenues of said system or with respect to the security for their payment, regardless of the time or times of their issuance, it being the intention that there shall be no priority among the bonds authorized or permitted to be issued under the provisions of this ordinance, regardless of the fact that they may be actually issued and delivered at different times.

Said city hereby reserves the right and privilege of issuing additional bonds payable from the "Sewer Revenue Bond Interest and Sinking Fund", hereinbefore created and ranking on a parity with the bonds hereby authorized, for the purpose of paying the cost of further extensions and improvements to the municipal sewage system; provided that before any such additional parity bonds are issued there shall have been procured and filed with the City Recorder a statement by an independent certified public accountant not in the regular employ of city on a monthly salary basis reciting the opinion based upon the necessary investigation that the net operating income and revenues of said sewage system for twelve consecutive months out of the preceding eighteen months was equal to at least 1.35 times the maximum amount of principal and interest that will become due in any calendar year on account of the bonds then outstanding and the bonds then proposed to be issued. The words "net operating income and revenues" as herein used are defined as gross income and revenues less operating expenses which shall include salaries, wages, cost of maintenance and operation, material and supplies, administratio and insurance, as well as all other items that are normally and regularly so included under recognized accounting practices, exclusive of allowances for depreciation, and the amount of gross income and revenues aforesaid may be adjusted for the purpose of the foregoing computations by an independent engineer or firm of engineers of recognized skill and experience in sewage system matters not in the regular employ of the city and not interested in the municipal sewage system or improvements and extensions thereto, so as to reflect any revision in the schedule of rates or charges being imposed at the time of the issuance of any such additional parity bonds.

The interest payment dates for all such additional parity bonds shall be semi-annually on April 1 and October 1 and the principal maturities thereof shall be on October 1 of the year in which any such principal is scheduled to become due.

The additional parity bonds (sometimes herein referred to as "permitted" to be issued), the issuance of which is restricted and conditioned by this section, shall be understood to mean bonds payable from the income and revenues of said system on a parity with the bonds herein authorized, and shall not be deemed to include nor prohibit the issuance of other obligations, the security and source of payment of which is subordinate and subject to the priority of payments into the sinking fund for account of the bonds

authorized or permitted to be issued hereunder. So long as any of the bonds authorized by this ordinance or any additional parity bonds remain outstanding no other bonds or other obligations may be issued or incurred having any priority or preference and except as permitted and provided by this section no other bonds or obligations may be incurred ranking on a parity therewith.

Section 10. That the bonds hereby authorized be executed as herein provided as soon as the adoption of this ordinance as may be and be thereupon sold and delivered to Charles A. Hinsch & Company, Inc., and Richard G. Howes & Company of Cincinnati, Ohio, pursuant to the agreement approved and accepted by the Council December 4th, 1959, and the terms and conditions of said agreement are in all respects hereby ratified and confirmed and found to be for the best interests of said city. The proceeds derived from the issuance of said bonds, exclusive of accrued interest, shall be used only for the purpose of defraying the cost, not otherwise provided, of constructing the extensions and improvements to the sewage system of said city all as generally described and referred to in the preamble hereof; provided that interest on said bonds in the amount of $35,500.00, being interest during construction of said extensions and improvements shall be deemed an item of construction cost and shall be paid from the proceeds of such bonds. Promptly upon the issuance of any of the bonds hereby authorized all sums received as accrued interest, together with a portion of the bond proceeds equal in the aggregate to the sum of $35,500.00 shall be set aside in the sinking fund. All such proceeds available for construction work pending expenditure thereof shall be deposited in a bank or banks which are members of the Federal Deposit Insurance Corporation, as a special account and to the extent any such deposit in any one bank exceeds $10,000 such excess shall be secured by a surety bond or bonds furnished by a surety company or companies qualified or authorized to do business in West Virginia or the excess of such deposit shall be collaterally secured by direct obligations or guaranteed bonds or securities of the United States of America having an equivalent market value. Any surplus remaining after completion of such construction shall be paid into the sinking fund aforesaid.

Section 11. The provision of this ordinance shall constitute a contract between the City of Hinton and the holders of the bonds authorized to be issued hereunder, and after the issuance of any of the bonds no change, variation or alteration of any kind of the provisions of this ordinance shall be made in any manner except as herein provided, until such time as all of said bonds issued hereunder and the interest thereon have been paid in full.

Section 12. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

Section 13. All ordinances, resolutions and orders, or parts thereof in conflict with the provisions of this ordinance are, to the extent of such conflict, hereby repealed.

Section 14. That this ordinance shall be published once each week for two successive weeks in the Hinton Daily News and in The Leader, being newspapers of opposite political faith published in The City of Hinton, together with an appropriate notice that this ordinance has been adopted;

that The City of Hinton contemplates the issuance of the bonds herein authorized, and that any person interested in the matter may appear before this Council at a public hearing to be held at City Hall in said city, on October 21, 1960, at 7:30 o'clock P.M., and then and there be heard as to the matters herein provided.

Adopted and approved September 20th, 1960.

Harold B. Eagle, Mayor

Attest:

Neta A. Jordan, City Recorder.
Recorded: Sept. 20, 1960.
Neta A. Jordan, City Recorder.

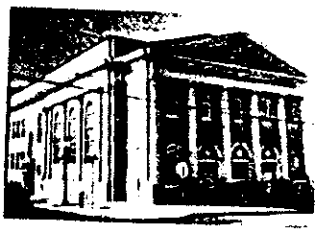
ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD N.J. 07016

ED 11-2C

City of
Hinton
P. O. Box 477
Hinton, West Virginia 25951

Mayor:
James A. Leslie, Jr.

Councilmen:
Ed Hannah
Gene Keffer
Coleman Leslie
Larry K. Meador



Listed February 17, 1984
National Register
of Historic Places

ESCROW RESOLUTION

WHEREAS, the City of Hinton has heretofore issued its Sewer Revenue Bonds in the aggregate principal amount of $720,000 dated October 1, 1960 (the "Bonds"), for the purpose of construction of improvements and extensions to the existing sewerage system in Summers County, West Virginia;

WHEREAS, as of the date hereof there remains outstanding $346,000 principal amount of the Bonds, plus interest to accrue thereon to the final maturity thereof; and

WHEREAS, the City of Hinton now wishes to defease the Bonds presently outstanding by providing irrevocably for the payment of all remaining principal and interest thereon for the beneficial interest of the respective holder(s) of such Bonds:

NOW, THEREFORE, by a majority vote of its City Council, the City of Hinton does hereby authorize and direct the West Virginia Municipal Bond Commission, fiscal agent for the Bonds, to purchase or cause to be purchased the following United States Government securities which will provide for all future principal and interest payments on the Bonds:

Principal Amount	Description	Maturity
$ 34,000	U. S. Treasury 0% Strips	Aug 15, 1990
8,000	U. S. Treasury 0% Strips	Feb 15, 1991
34,000	U. S. Treasury 0% Strips	Aug 15, 1991
7,000	U. S. Treasury 0% Strips	Feb 15, 1992
36,000	U. S. Treasury 0% Strips	Aug 15, 1992
7,000	U. S. Treasury 0% Strips	Feb 15, 1993
35,000	U. S. Treasury 0% Strips	Aug 15, 1993
6,000	U. S. Treasury 0% Strips	Feb 15, 1994
36,000	U. S. Treasury 0% Strips	Aug 15, 1994
6,000	U. S. Treasury 0% Strips	Feb 15, 1995
37,000	U. S. Treasury 0% Strips	Aug 15, 1995
4,000	U. S. Treasury 0% Strips	Feb 15, 1996
39,000	U. S. Treasury 0% Strips	Aug 15, 1996

3,000	U. S. Treasury 0% Strips	Feb 15, 1997
39,000	U. S. Treasury 0% Strips	Aug 15, 1997
3,000	U. S. Treasury 0% Strips	Feb 15, 1998
40,000	U. S. Treasury 0% Strips	Aug 15, 1998
2,000	U. S. Treasury 0% Strips	Feb 15, 1999
41,000	U. S. Treasury 0% Strips	Aug 15, 1999
32,000	U. S. Treasury 0% Strips	Aug 15, 2000
$ 449,000		

Said Securities shall be irrevocably held in Escrow in the Hinton 60 Sewer Revenue Escrow Account at the Municipal Bond Commission, and shall be used to meet all future payments of principal of and interest on the Bonds, as the same shall become due and payable, and for no other purpose.

This Resolution is dated May 15, 1990

James A. Leslie, Jr.
Mayor
City of Hinton

Agreed to by the West Virginia
Municipal Bond Commission:

R. Walter Fisher
Executive Director

Date of defeasance: MAY 25, 1990

FILE

CHARLES O. LORENSEN
TAX COMMISSIONER, CHAIRMAN

THOMAS E. LOEHR
TREASURER, SECRETARY

GLEN B. GAINER, JR.
AUDITOR, MEMBER

WEST VIRGINIA
MUNICIPAL BOND COMMISSION
SUITE 337 BUILDING 3
STATE CAPITOL COMPLEX
CHARLESTON, WV 25305
(304) 348-3971/72

DEPARTMENT OF TAX AND REVENUE

LARRY CHAPMAN
MEMBER

JOHN ROACH
MEMBER

R. WITTER HALLAN
EXECUTIVE DIRECTOR

June 6, 1990

Mayor James A. Leslie, Jr.
City of Hinton
P.O. Box 477
Hinton, WV 25951

RE: Escrowing of the City of Hinton 1960 Sewer Revenue Bonds

Dear Mayor Leslie:

As authorized by your Escrow Resolution dated May 15, 1990, the Municipal Bond Commission has purchased US Treasury investments sufficient to defease all remaining debt service on the City of Hinton 60 Sewer Revenue Bond Issue. With the purchase of these US Treasury investments, and the irrevocable commitment of the principal of and interest on the investments solely to the beneficial interest of the bond holders, this issue is deemed to be paid, and all restrictive covenants and liens of the bond ordinance are terminated. No further deposits will ever be necessary for this bond issue.

The cost of these escrowed investments, which were purchased on May 25, 1990, was $298,874.62. With the addition of opening cash of $150, the total escrow cost was $299,024.62. This figure is an increase of $6,863.19 over that shown in my letter of May 9, 1990. It is due to a significant decline in interest rates on US Treasury securities and a resulting increase in the cost of the securities. The original balance in the account, plus your deposits totaling $54,750 and the interest earned by the account during the past two months will cover all escrow costs.

I have enclosed an updated statistical sheet on this escrowing with the actual cost figures, and final cash flow chart. Should you have any questions, please contact me.

Sincerely yours,

R. Witter Hallan
Executive Director

RWH/wb

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CHARLES O. LORENSEN
TAX COMMISSIONER, CHAIRMAN

THOMAS E. LOEHR
TREASURER, SECRETARY

GLEN B. GAINER, JR.
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DEPARTMENT OF TAX AND REVENUE

LARRY CHAPMAN
MEMBER

JOHN ROACH
MEMBER

R. WITTER HALLAN
EXECUTIVE DIRECTOR

CITY OF HINTON 1960 SEWER REVENUE BONDS

On October 1, 1960, the City of Hinton issued its $720,000 Sewer Revenue Bonds. In order to defease these bonds, the City of Hinton authorized the West Virginia Municipal Bond Commission to purchase certain US Treasury investments that would meet all future principal and interest payments on these bonds through their final maturity on October 1, 2000.

On May 25, 1990, the Commission purchased these investments and now holds them in trust for the beneficial interest of the bond holders of this issue and for no other purpose. All future debt service will be paid from the principal at maturity and interest earnings on this escrow portfolio.

June 5, 1990

R. Witter Hallan
Executive Director

WV MUNICIPAL BOND COMMISSION
Suite 337 Building 3
State Capitol Complex
Charleston, WV 25305

HINTON 60 SEWER REV ACTUAL

5/25/90

Prepared By: [signature] Date: 5/30/90
Reviewed By: Date: / /

Debt Service Due Month	Yr	Escrowed Invest. Matures Type	Date	Esc Int. Rate	US Treasury Escrowed Investments Purchased Par Value	Unit Cost per $1,000	Total Cost Principal	Interest Earned Semi-Annual Gross	Net of State Treasury Fee	US Treasury 0% Coupon Bonds Par Value	Interest Earned	1 % State Treasury Fee	CASH FLOW CHART Net Escrowed Principal Maturing	Net Escrowed Interest Earned	Total Income	Debt Service Due	Cash Balance
Opening Cash Balance:																	15000
Oct	90	STRIPS	15 AUG	0	34000		3339480				60520	605	3399395			3365000	49395
APR	91	STRIPS	15 FEB	0	8000		754896				45104	451	799549			802500	46444
Oct	91	STRIPS	15 AUG	0	34000		3075062				324938	3249	3396751			3402500	40695
APR	92	STRIPS	15 FEB	0	7000		605990				94010	940	699060			737500	2255
Oct	92	STRIPS	15 AUG	0	36000		2985840				614160	6142	3593858			3537500	58613
APR	93	STRIPS	15 FEB	0	7000		555828				144172	1442	698558			667500	89671
Oct	93	STRIPS	15 AUG	0	35000		2662380				837620	8376	3491624			3567500	13795
APR	94	STRIPS	15 FEB	0	6000		436686				163314	1633	598367			595000	17162
Oct	94	STRIPS	15 AUG	0	36000		2509776				1090224	10902	3589098			3595000	11260
APR	95	STRIPS	15 FEB	0	6000		400458				199542	1995	598005			520000	89265
Oct	95	STRIPS	15 AUG	0	37000		2366076				1333924	13339	3686661			3720000	55926
APR	96	STRIPS	15 FEB	0	4000		244812				155188	1552	398448			440000	14374
Oct	96	STRIPS	15 AUG	0	39000		2286765				1613235	16132	3883868			3840000	58242
APR	97	STRIPS	15 FEB	0	3000		168417				131583	1316	298684			355000	1926
Oct	97	STRIPS	15 AUG	0	39000		2097420				1802580	18026	3881974			3855000	28900
APR	98	STRIPS	15 FEB	0	3000		154335				145665	1457	298543			267500	59943
Oct	98	STRIPS	15 AUG	0	40000		1971160				2028840	20288	3979712			3967500	72155
APR	99	STRIPS	15 FEB	0	2000		94408				105592	1056	198944			175000	96099
Oct	99	STRIPS	15 AUG	0	41000		1853897				2246103	22461	4077539			4075000	98638
APR	00															77500	21138
Oct	00	STRIPS	15 AUG	0	32000		1323776				1876224	18762	3181238			3177500	24876
PRINCIPAL - PAR					449000												
- COST							29887462				15012538	150124	44749876			44740000	24876
OPENING CASH							15000										
TOTAL ESCROW COST							29902462										

ALL-STATE LEGAL SUPPLY CO ONE COMMERCE DRIVE CRANFORD NEW JERSEY 07016

50 11-2C

(WATER DEVELOPMENT AUTHORITY LETTERHEAD)

June 14, 1990

The City of Hinton
$667,000 Sewer Revenue Bonds, Series 1990 A

TO WHOM IT MAY CONCERN:

The undersigned DIRECTOR, for the State of West Virginia Water Development Authority, hereby consents to the issuance of the above-captioned Sewer Revenue Bonds, Series 1990 A, under the terms of the 1990 Bond Ordinance and Supplemental Resolution, which Bonds are to be issued on a junior and subordinate basis to the City's outstanding Sewage Revenue Bonds dated October 1, 1960 (the "1960 Bonds"), and on a parity with the Sewer Revenue Bonds, Series 1990 C, to be issued by the City simultaneously with such Sewer Revenue Bonds, Series 1990 A, on the terms set forth in the attached letter.

Daniel B. Yankosky
Director

06/11/90
HINTONB.JJ2
41455/89001

STATE OF WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY
1201 DUNBAR AVENUE
DUNBAR, WV 25064

(304) 348-3612

April 9, 1990

Walter L. Williams, Esq.
Steptoe & Johnson
P.O. Box 2190
Clarksburg WV 26302-2190

CITY OF HINTON - SEWER REVENUE BONDS

On the basis of the information contained in your March 14 letter of request, the Water Development Authority (WDA) consents to Hinton's issuing 1990 sewer revenue bonds that are junior to the City's outstanding 1960 revenue bonds, provided:

1. Before closing, Hinton deposits sufficient funds, with the Municipal Bond Commission, to create an irrevocable escrow to economically discharge the 1960 bonds.

2. The 1990 sewer revenue bonds issued to the WDA are on a parity with the 1990 sewer revenue bonds issued to the Farmers Home Admininstration.

If we can be of further assistance, please let me know.

Daniel B. Yonkosky

DANIEL B. YONKOSKY - DIRECTOR

db

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE, CRANFORD, N. JSEY 07016 ED 11-20

FARMERS HOME ADMINISTRATION
P. O. BOX 678
MORGANTOWN, WV 26505

June 14, 1990

City of Hinton
$668,000 Sewer Revenue Bonds, Series 1990 C

TO WHOM IT MAY CONCERN:

The undersigned STATE DIRECTOR, for the United States Department of Agriculture, Farmers Home Administration, hereby consents to the issuance of the above-captioned Sewer Revenue Bonds, Series 1990 C, under the terms of the 1990 Bond Ordinance and Supplemental Resolution, which Bonds are to be issued on a junior and subordinate basis to the City's outstanding Sewage Revenue Bonds dated October 1, 1960 (the "1960 Bonds"), and on a parity with the Sewer Revenue Bonds, Series 1990 A, to be issued by the City simultaneously with such Sewer Revenue Bonds, Series 1990 C.

John C Musgrave
JOHN C. MUSGRAVE
State Director

ALL-STATE LEGAL SUPPLY CO. ONE COMMERCE DRIVE CRANFORD NEW JERSEY 07016

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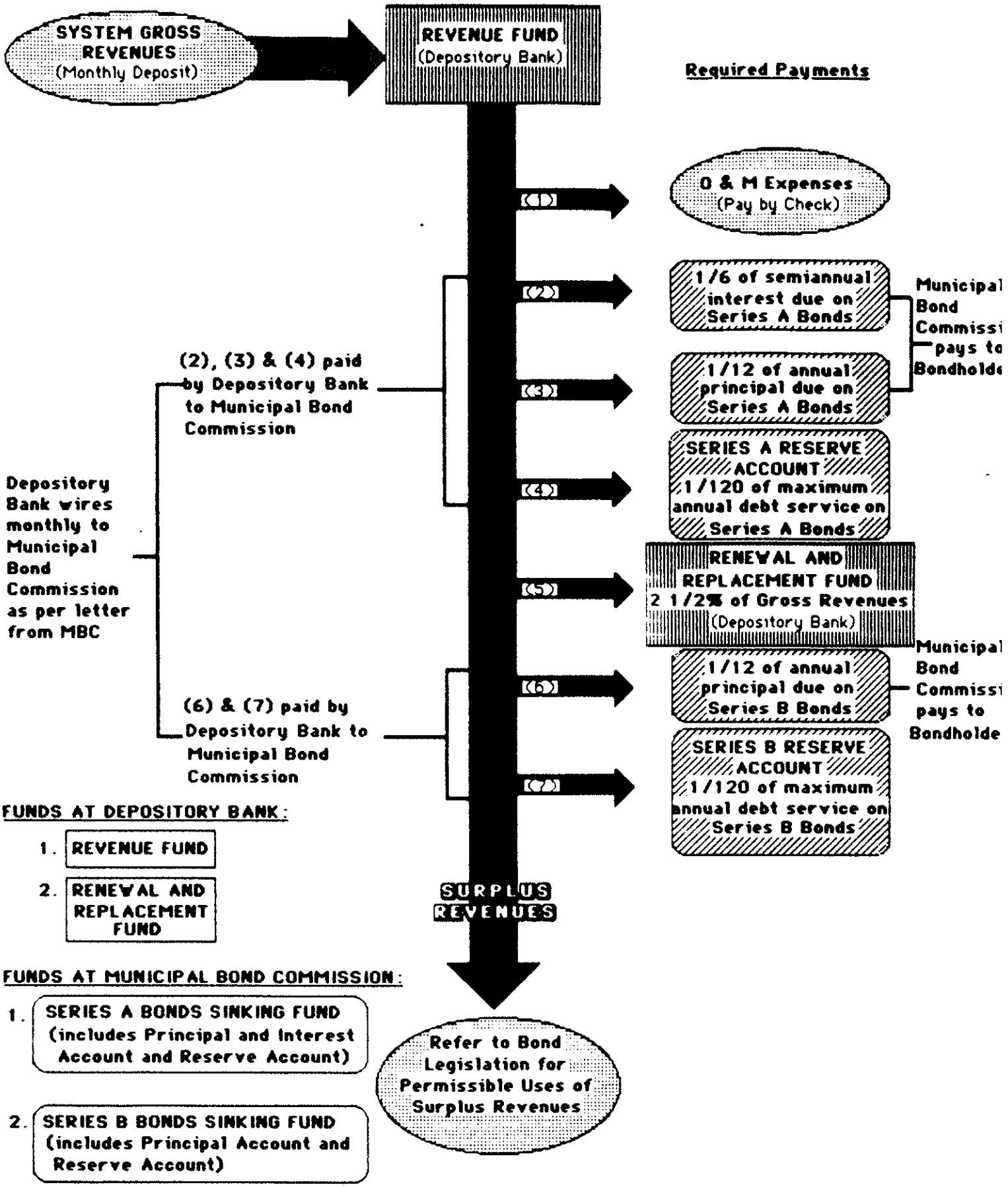
FLOW OF FUNDS SCHEMATIC DIAGRAM - SYSTEM REVENUES