

JANE LEW PUBLIC SERVICE DISTRICT

**Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)**

BOND TRANSCRIPT

Table of Contents

BASIC DOCUMENTS

1. Bond Resolution
2. Supplemental Resolution
3. Loan Agreement
4. Public Service Commission Orders
5. Infrastructure Council Approval
6. Cross-Receipt for Bonds and Bond Proceeds
7. Direction to Authenticate and Deliver Bonds
8. Specimen Bond

OPINIONS OF COUNSEL

9. Approving Opinion of Steptoe & Johnson PLLC, Bond Counsel
10. Opinion of Counsel to Issuer
11. Title Opinion

CERTIFICATES

12. General Certificate of Issuer and Attorney
13. Certificate of Engineer with Schedule B Attached
14. Certificate of Certified Public Accountant
15. Certificate as to Use of Proceeds

DOCUMENTS OF THE ISSUER

16. County Commission Orders Creating and Enlarging District
17. County Commission Orders Appointing Current Boardmembers
18. Oaths of Office of Current Boardmembers
19. Rules of Procedure
20. Minutes of Current Year Organizational Meeting
21. Excerpt of Minutes on Adoption of Bond Resolution and Supplemental Resolution
22. Municipal Bond Commission New Issue Report

MISCELLANEOUS DOCUMENTS

23. Acceptance of Appointment as Depository Bank
24. Acceptance of Duties as Registrar
25. Certificate of Registration of Bonds
26. Registrar's Agreement
27. West Virginia Infrastructure and Jobs Development Council Grant Agreement
28. Evidence of Small Cities Block Grant
29. Bureau for Public Health Permit and NPDES Permit
30. Evidence of Insurance
31. Closing Memorandum
32. Sweep Resolution
33. Consent of West Virginia Water Development Authority
34. Prior Bond Resolution – Series 2005 A

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JANE LEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2013 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

BOND RESOLUTION

Table of Contents

ARTICLE I
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01	Authority for this Resolution
Section 1.02	Findings
Section 1.03	Bond Legislation Constitutes Contract
Section 1.04	Definitions

ARTICLE II
AUTHORIZATION OF ACQUISITION AND CONSTRUCTION
OF THE PROJECT

Section 2.01	Authorization of Acquisition and Construction of the Project
--------------	--

ARTICLE III
AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND
SALE OF BONDS; AUTHORIZATION AND EXECUTION OF
LOAN AGREEMENT

Section 3.01	Authorization of Bonds
Section 3.02	Terms of Bonds
Section 3.03	Execution of Bonds
Section 3.04	Bond Registrar; Authentication and Registration
Section 3.05	Negotiability, Transfer and Registration
Section 3.06	Bonds Mutilated, Destroyed, Stolen or Lost
Section 3.07	Bonds not to be Indebtedness of the Issuer
Section 3.08	Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds
Section 3.09	Delivery of Bonds
Section 3.10	Form of Bonds FORM OF SERIES 2013 A BOND
Section 3.11	Sale of Bonds; Approval and Ratification of Execution of Loan Agreement
Section 3.12	Filing of "Amended Schedule"

**ARTICLE IV
[RESERVED]**

**ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION
THEREOF**

Section 5.01	Establishment of Funds and Accounts with Depository Bank
Section 5.02	Establishment of Funds and Accounts with Commission
Section 5.03	System Revenues; Flow of Funds

**ARTICLE VI
BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS**

Section 6.01	Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds
Section 6.02	Disbursements From the Bond Construction Trust Fund

**ARTICLE VII
ADDITIONAL COVENANTS OF THE ISSUER**

Section 7.01	General Covenants of the Issuer
Section 7.02	Bonds not to be Indebtedness of the Issuer
Section 7.03	Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds
Section 7.04	Initial Schedule of Rates and Charges
Section 7.05	Sale of the System
Section 7.06	Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances
Section 7.07	Parity Bonds
Section 7.08	Books; Records and Audit
Section 7.09	Rates
Section 7.10	Operating Budget and Monthly Financial Report
Section 7.11	Engineering Services and Operating Personnel
Section 7.12	No Competing Franchise
Section 7.13	Enforcement of Collections
Section 7.14	No Free Services
Section 7.15	Insurance and Construction Bonds
Section 7.16	Mandatory Connections
Section 7.17	Completion and Operation of Project; Permits and Orders
Section 7.18	Reserved
Section 7.19	Statutory Mortgage Lien
Section 7.20	Compliance with Loan Agreement and Law
Section 7.21	Securities Laws Compliance
Section 7.22	Contracts; Public Releases

**ARTICLE VIII
INVESTMENT OF FUNDS**

Section 8.01	Investments
Section 8.02	Certificate as to Use of Proceeds; Covenants as to Use of Proceeds

**ARTICLE IX
DEFAULT AND REMEDIES**

Section 9.01	Events of Default
Section 9.02	Remedies
Section 9.03	Appointment of Receiver

**ARTICLE X
PAYMENT OF BONDS**

Section 10.01	Payment of Bonds
---------------	------------------

**ARTICLE XI
MISCELLANEOUS**

Section 11.01	Amendment or Modification of Bond Legislation
Section 11.02	Bond Legislation Constitutes Contract
Section 11.03	Severability of Invalid Provisions
Section 11.04	Headings, Etc.
Section 11.05	Notices
Section 11.06	Conflicting Provisions Repealed; Prior Resolutions
Section 11.07	Covenant of Due Procedure, Etc.
Section 11.08	Effective Date
	SIGNATURES
	CERTIFICATION

JANE LEW PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF JANE LEW PUBLIC SERVICE DISTRICT, AND THE FINANCING OF A PORTION OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE JANE LEW PUBLIC SERVICE DISTRICT OF NOT MORE THAN \$5,167,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF JANE LEW PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. Jane Lew Public Service District (the "Issuer") is a public service district and public corporation and political subdivision of the State of West Virginia in Lewis County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain improvements and extensions to the existing public sewerage facilities of the Issuer, consisting of connection with the City of Weston's system; decommissioning the existing treatment plant and sewer extensions to the the Westfield and Lightburn areas, together with all appurtenant facilities (collectively, the "Project"), which

constitute properties for the collection, transportation, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements thereto or extensions thereof are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineer, which plans and specifications have heretofore been filed with the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than \$5,167,000 (the "Series 2013 A Bonds"), to permanently finance a portion of the costs of acquisition and construction of the Project; and pay certain costs of issuance. The remaining Costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said Costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2013 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding six (6) months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2013 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2013 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition and construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2013 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that the Series 2013 A Bonds be sold to the Authority pursuant to the terms and provisions of the Loan Agreement (hereinafter defined), by and between the Issuer and the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the parties thereunder, approved hereby if not previously approved by resolution of the Issuer.

G. The Issuer has Outstanding its Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015 (the "Series 2005 A Bonds" or the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2013 A Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2013 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no Outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolutions.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, to pay the principal of and interest, if any, on the Series 2013 A Bonds (as hereinafter defined) and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition and construction of the Project and operation of the System and issuance of the Series 2013 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by Final Order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2013 A Bonds or such Final Order will not be subject to appeal or rehearing.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2013 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2013 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2013 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of

the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

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

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

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

"Bonds" means, collectively, the Series 2013 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

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

"Chairman" means the Chairman of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2013 A Bonds for all or a portion of the proceeds of the Series 2013 A Bonds from the Authority.

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

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

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

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

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency, board or department of the State that succeeds to the functions of the Council.

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

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

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

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

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

"Grants" means all monies received by the Issuer on account of any Grant for the Project, if any.

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

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

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

"Issuer" means Jane Lew Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Lewis County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the loan agreement heretofore entered into, or to be entered into, by and between the Issuer and the Authority on behalf of the Council, providing for the purchase of the Series 2013 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2013 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2013 A Bonds Reserve Account.

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

"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, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

"Paying Agent" means the Commission or other entity designated as such for the Series 2013 A Bonds in the Supplemental Resolution.

"Prior Bonds" means the Series 2005 A Bonds.

"Prior Resolution" means the resolution adopted by the Issuer authorizing issuance of the Prior Bonds.

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

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

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from

Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

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

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

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

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

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

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

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund previously established by the Prior Resolution and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2013 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in the Reserve Accounts of the Series 2013 A Bonds and the Prior Bonds.

"Revenue Fund" means the Revenue Fund previously established by the Prior Resolution and continued hereby.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 2005 A Bonds" means the Issuer's Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015.

"Series 2013 A Bonds" means the Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Resolution.

"Series 2013 A Bonds Construction Trust Fund" means the Series 2013 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2013 A Bonds Reserve Account" means the Series 2013 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2013 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2013 A Bonds in the then current or any succeeding year.

"Series 2013 A Bonds Sinking Fund" means the Series 2013 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective Sinking Funds established for the Series 2013 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2013 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2013 A Bonds, and not so included, may be included in another Supplemental Resolution.

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

"System" means the complete existing sewerage system of the Issuer and all sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the sewerage system; and shall include the Project and any and all extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the sewerage system from any sources whatsoever, both within and without the Issuer.

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

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Chairman or the Secretary shall mean that such Bonds, certificate or other document may be executed or attested by an Acting Chairman or Acting Secretary.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms refer to this Resolution; and the term "hereafter" means after the date of adoption of this Resolution.

Articles, sections and subsections mentioned by number only are the respective articles, sections and subsections of this Resolution so numbered

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed \$8,167,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, hereto filed in the office of the Governing Body. The proceeds of the Series 2013 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the Council.

The total Cost of the Project is estimated not to exceed \$8,167,000, of which an amount not to exceed \$5,167,000 will be obtained from proceeds of the Series 2013 A Bonds, \$1,500,000 will be obtained from a grant from the Council, and \$1,500,000 will be obtained from a Small Cities Block Grant.

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 2013 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2013 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2013 A Bonds of the Issuer. The Series 2013 A Bonds shall be issued as a single bond, designated as "Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund)," in the principal amount of not more than \$5,167,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2013 A Bonds remaining after funding of the Reserve Account (if funded from Bond proceeds) and capitalizing interest, if any, shall be deposited in or credited to the Series 2013 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2013 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2013 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2013 A Bonds, if any, shall be paid by check or draft of the Paying Agent, or its agent, mailed to the Registered

Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2013 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2013 A Bonds. The Series 2013 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2013 A Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2013 A Bonds shall cease to be such officer of the Issuer before the Series 2013 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2013 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Bond Registrar; Authentication and Registration. The Bond Registrar with respect to the Series 2013 A Bonds shall be the bank to be designated as such in the Supplemental Resolution and its successors and assigns. No Series 2013 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2013 A Bonds shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2013 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2013 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities

and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide Holder for value.

So long as the Series 2013 A Bonds remain Outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2013 A Bonds shall be transferable only upon the books of the Bond Registrar, by the Registered Owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Registered Owner or his duly authorized attorney.

In all cases in which the privilege of exchanging the Series 2013 A Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

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

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2013 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2013 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2013 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service of the Series 2013 A Bonds shall be

secured by a first lien on the Net Revenues derived from the System, on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2013 A Bonds and the Prior Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2013 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2013 A Bonds to the original purchasers upon receipt of the documents set forth below:

- A. If other than the Authority, a list of the names in which the Series 2013 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;
- B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2013 A Bonds to the original purchasers;
- C. An executed and certified copy of the Bond Legislation;
- D. Executed copies of the Loan Agreement; and
- E. The unqualified approving opinion of bond counsel on the Series 2013 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2013 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

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(FORM OF SERIES 2013 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
JANE LEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 2013 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$5,167,000

KNOW ALL MEN BY THESE PRESENTS: That JANE LEW PUBLIC SERVICE DISTRICT, That on this _____ day of _____, 2013, a public service district, public corporation and political subdivision of the State of West Virginia in Lewis County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$5,167,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20____, to and including _____ 1, 20____ as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority on behalf of the Council, dated _____, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements and extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2013, and a Supplemental Resolution duly adopted by the Issuer on _____, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and

conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 19, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$959,015 (THE "SERIES 2005 A BONDS" OR THE "PRIOR BONDS")

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Prior Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2013 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act, and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

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IN WITNESS WHEREOF, JANE LEW PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Chairman

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 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: _____, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

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

Dated: _____, 20____.

In the presence of:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2013 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. Filing of "Amended Schedule." Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the Council a schedule, the form of which will be provided by the Council, setting forth the actual Costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Resolutions) and shall be held by the Depository Bank, separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund (established by the Prior Resolutions and continued hereby);
- (2) Renewal and Replacement Fund (established by the Prior Resolutions and continued hereby); and
- (3) Series 2013 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created with (or continued if previously established by the Prior Resolutions) and shall be held by the Commission, separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

- (1) Series 2005 A Bonds Sinking Fund (established by the Prior Resolutions and continued hereby);
- (2) Series 2005 A Bonds Reserve Account (established by the Prior Resolutions and continued hereby);
- (3) Series 2013 A Bonds Sinking Fund; and

(4) Series 2013 A Bonds Reserve Account.

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

- (1) The Issuer shall first, each month, pay from the Revenue Fund the Operating Expenses of the System.
- (2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and, simultaneously, remit to the Commission, (i) the amounts required by the Prior Resolutions to pay principal of the Prior Bonds; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2013 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2013 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.
- (3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, (i) for deposit in the Reserve Account for the Prior Bonds, the amounts required by the Prior Resolution; and (ii) commencing 4 months prior to the first date of payment of principal of the Series 2013 A Bonds, if not fully funded upon issuance of the Series 2013 A Bonds, for deposit in the Series 2013 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2013 A Bonds Reserve Requirement until the amount in the Series 2013 A Bonds Reserve Account equals the Series 2013 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2013 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 2013 A Bonds Reserve Requirement.
- (4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund an amount equal to 2 1/2% of the Gross Revenues each month (as previously set forth in the Prior

Resolutions and not in addition thereto), exclusive of any payments for account of any Reserve Accounts. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Accounts (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

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

Monies in the Series 2013 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2013 A Bonds, as the same shall become due. Monies in the Series 2013 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2013 A Bonds, as the same shall come due, when other monies in the Series 2013 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2013 A Bonds Sinking Fund, and Series 2013 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2013 A Bonds Construction Trust Fund, and following completion of the construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2013 A Bonds, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2013 A Bonds Reserve Account which result in a reduction in the balance of the Series 2013 A Bonds Reserve Account to below the Series 2013 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2013 A Bonds are issued, provision shall be made for additional payments into the respective Sinking Funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective Reserve Accounts in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2013 A Bonds Sinking Fund or Series 2013 A Bonds Reserve Account therein when the

aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2013 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Series 2013 A Bonds and the Prior Bonds, all in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2013 A Bonds Sinking Fund and the Series 2013 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2013 A Bonds under the conditions and restrictions herein set forth.

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

C. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month), deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2013 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

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

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

Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

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

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

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

I. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2013 A Bonds Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2013 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2013 A Bonds, there shall first be deposited with the Commission in the Series 2013 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest.

B. Next, from the proceeds of the Series 2013 A Bonds, there shall be deposited with the Commission in the Series 2013 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2013 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2013 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2013 A Bonds Construction Trust Fund and applied solely to payment of Costs of the

Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2013 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all Costs have been paid, any remaining proceeds of the Series 2013 A Bonds shall be applied as approved by the Council.

Section 6.02. Disbursements From the Bond Construction Trust Fund. The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2013 A Bond Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the Council, of a certificate, signed by an Authorized Officer stating that:

- (A) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;
- (B) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;
- (C) Each of such costs has been otherwise properly incurred; and
- (D) Payment for each of the items proposed is due and owing.

Pending such application, monies in the Series 2013 A Bond Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2013 A Bonds within 3 years of the date of issuance of the Council's bonds, the proceeds of which were used to make the loan to the Issuer, if applicable.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2013 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2013 A Bonds as hereinafter provided in this Article VII. All such covenants,

agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2013 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2013 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2013 A Bonds, shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2013 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service of the Series 2013 A Bonds shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the System, on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2013 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved in Commission Order dated March 26, 2013 of the Public Service Commission of West Virginia in Case No. 09-1043-PSD-42T-PC-PW-CN, and such rates are hereby adopted which rates are incorporated herein by reference.

So long as the Series 2013 A Bonds or the Prior Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2013 A Bonds shall prove to be insufficient to produce the amounts required by this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the amounts required by this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, or any part thereof, except as provided in the Prior Resolutions and with written consent of the Authority and the Council.

So long as the Series 2013 A Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2013 A Bonds, immediately be remitted to the Commission for deposit in the Series 2013 A Bonds Sinking Fund, and, with the written permission of the Council and the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2013 A Bonds in accordance with Article X hereof. Any balance remaining after the payment of the Series 2013 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said fund by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2013 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2013 A Bonds and payable from the revenues of the

System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2013 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2013 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2013 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are Outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolutions shall be applicable. Additionally, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2013 A Bonds pursuant to this Bond Legislation, except with the prior written consent of the Council and the Authority under the conditions and in the manner herein provided (unless less restrictive than the provisions of the Prior Resolutions).

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2013 A Bonds.

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

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

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the period for appeal of which has expired prior to the date of issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the period for appeal of which has expired prior to issuance of such Parity Bonds.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on revenues of the System is subject to the prior and superior liens of the Series 2013 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from 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 2013 A Bonds.

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

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Authority and the Council such documents and information as they may reasonably

require in connection with the acquisition and construction of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

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

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

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

The Issuer shall file with the Authority and the Council, or any other original purchaser of the Series 2013 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2013 A Bonds, requesting the same, an annual report containing the following:

- (A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.
- (C) The amount of any Bonds, notes or other obligations Outstanding payable from the revenues of the System.

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 to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2013 A Bonds, and shall submit said report to the Authority and the Council, or any other original purchaser of the Series 2013 A Bonds. Such audit report

submitted to the Authority and the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Loan Agreement, the Act and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

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

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

Section 7.09. Rates. Prior to the issuance of the Series 2013 A Bonds equitable rates or charges for the use of and service rendered by the System shall be 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 Secretary, 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 Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2013 A Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2013 A Bonds Reserve Account and the Reserve Accounts for obligations on a parity with the Series 2013 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2013 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2013 A Bonds, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget and no such increased expenditures shall be made until the Issuer shall have approved such expenditures by a resolution duly adopted. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance within 30 days of adoption to the Authority and the Council and to any Holder of any Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and the Council and to any Holder of any Bonds, or anyone acting for and on behalf of such Holder of any Bonds.

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

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Council and the Authority, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Council and the Authority is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Council and 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 engineer shall certify to the Council and the Authority and the Issuer at the completion of construction that construction of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of the Loan Agreement.

The Issuer shall serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer shall not reduce the amount of additional customers served by the project without the prior written approval of the Authority. Following completion of the Project the Issuer shall certify to the Authority the number of customers added to the System.

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, 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 either the System or the water system and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2013 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar

to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the 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 no 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) WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the construction contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

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

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

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

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

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

Section 7.16. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

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

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

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2013 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion to such effect.

Section 7.18. Reserved

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2013 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2013 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority.

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

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2013 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2013 A Bonds held in “contingency” as set forth in the Schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2013 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding as being provided by the Council and the Authority in any press release, publication, program bulletin, sign or other public communication

that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS

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

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank, 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 Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2013 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2013 A Bonds as a condition to issuance of the Series 2013 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2013 A Bonds as may be necessary in order to maintain the status of the Series 2013 A Bonds as public purpose bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2013 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the Council, as the case may be,

from which the proceeds of the Series 2013 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the Council, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2013 A Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2013 A Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2013 A Bonds; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2013 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2013 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, 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; or
- (4) If default occurs with respect to the Prior Bonds or the Prior Resolutions.

Notwithstanding anything herein to the contrary, if default occurs in the due and punctual payment of the principal of or interest on the Series 2013 A Bonds or the Prior Bonds, it shall constitute an "Event of Default" with respect to the Series 2013 A Bonds.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System,

(iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holder of the Series 2013 A Bonds shall be on a parity with the Holders of the Prior Bonds.

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

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the Series 2013 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2013 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2013 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2013 A Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2013 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2013 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2013 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2013 A Bonds from gross income of the Holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2013 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution 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 Resolution, the Supplemental Resolution or the Series 2013 A Bonds.

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

Section 11.05. Notices. All notices to be sent to the Issuer, the Authority or the Council shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid, addressed as follows:

ISSUER:

Jane Lew Public Service District
P.O. Box 845
Jane Lew, West Virginia 26378
Attention: Chairman

AUTHORITY:

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1217
Attention: Director

COUNCIL:

West Virginia Infrastructure and Jobs Development Council
180 Association Drive
Charleston, West Virginia 25311
Attention: Executive Director

All notices to be sent to the Council hereunder, shall also be sent to the Authority.

Section 11.06. Conflicting Provisions Repealed; Prior Resolutions. Except for the Prior Resolutions, all orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; provided that, this Section shall not be applicable to the Loan Agreement; and provided that, in the event of any conflict

between this Resolution and the Prior Resolutions, the Prior Resolutions shall control, unless less restrictive, so long as the Prior Bonds are Outstanding.

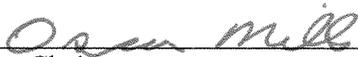
Section 11.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

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Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 25th day of April, 2013.

JANE LEW PUBLIC SERVICE DISTRICT



Its: Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of JANE LEW PUBLIC SERVICE DISTRICT on the 25th day of April, 2013.

Dated: May 6, 2013.

[SEAL]


Secretary

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA INFRASTRUCTURE FUND) OF JANE LEW PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Jane Lew Public Service District (the "Issuer") has duly and officially adopted a bond resolution, effective April 25, 2013 (the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF JANE LEW PUBLIC SERVICE DISTRICT, AND THE FINANCING OF A PORTION OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE JANE LEW PUBLIC SERVICE DISTRICT OF NOT MORE THAN \$5,167,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL

DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Resolution provides for the issuance of the Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), of the Issuer, (the "Bonds" or "Series 2013 A Bonds"), in the aggregate principal amount not to exceed \$5,167,000, and has authorized the execution and delivery of a loan agreement relating to the Series 2013 A Bonds, including all schedules and exhibits attached thereto (collectively, the "Loan Agreement"), by and between the Issuer and the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Series 2013 A Bonds should be established by a supplemental resolution pertaining to the Series 2013 A Bonds; and that other matters relating to the Series 2013 A Bonds be herein provided for;

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

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

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and entered into by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates and the sale price of the Series 2013 A Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2013 A Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF JANE LEW PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer: Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$5,167,000. The Series 2013 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2053, and shall bear no interest. The principal of the Series 2013 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2015, to and including March 1, 2053 and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2013 A Bonds. The Series 2013 A

Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the 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 2013 A Bonds.

Section 2. All other provisions relating to the Series 2013 A Bonds and the text of the Series 2013 A Bonds shall be in substantially the forms as provided in the Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the applications to the Council and the Authority. The price of the Series 2013 A Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2013 A Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2013 A Bonds under the Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2013 A Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Commission"), to serve as Paying Agent for the Series 2013 A Bonds under the Resolution.

Section 6. The Issuer does hereby appoint and designate Citizens Bank, Jane Lew, West Virginia, to serve as Depository Bank under the Resolution.

Section 7. Series 2013 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2013 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2013 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2013 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2013 A Bonds shall be deposited in or credited to the Series 2013 A Bonds Construction Trust Fund for payment of the Costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2013 A Bonds to be issued hereby and by the Resolution approved and provided for, to the end that the Series 2013 A Bonds may be delivered to the Authority pursuant to the Loan Agreement on or about May 6, 2013.

Section 11. The acquisition and construction of the Project, and the financing thereof with proceeds of the Series 2013 A Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

Section 13. This Supplemental Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this 25th day of April, 2013.

JANE LEW PUBLIC SERVICE DISTRICT



Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of JANE LEW PUBLIC SERVICE DISTRICT on the 25th day of April, 2013.

Dated: May 6, 2013.

[SEAL]



Secretary

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IC-1
(02/13)

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"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

JANE LEW PUBLIC SERVICE DISTRICT
(2005S-889)

(Governmental Agency)

WITNESSETH:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, 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 acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of 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 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 the Act and having available sufficient funds therefor, the Council has authorized the Authority 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 money in the Infrastructure Fund, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's 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," "cost," "Council," "governmental agency," "project," "waste water facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Bonds, acting in its administrative capacity pursuant to Section 10 of the Act and upon authorization from the Council.

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Department of Environmental Protection, or any successor thereto.

1.4 "Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Section 9 of the Act.

1.5 "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.

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

1.7 "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, all in accordance with the provisions of this Loan Agreement.

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

1.9 "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.

1.10 "Project" means the 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.

1.11 "System" means the 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.

1.12 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 and Council having found, to the extent applicable, that the Project is consistent with the Act.

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

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

2.4 The Governmental Agency agrees that the Authority and the Council and their 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 the Council and their duly authorized agents and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the pertinent provisions of the Act.

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

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

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

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 Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. 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 are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate engineering services satisfactory to the Council and 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 engineer shall certify to the Authority, the Council 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 shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State 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 Council, the Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

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

2.13 The Governmental Agency shall serve the additional customers at the location(s) as set forth in Schedule X. The Governmental Agency shall not reduce the amount of additional customers served by the project without the prior written approval of the WDA Board. Following completion of the Project the Governmental Agency shall certify to the Authority the number of customers added to the System.

2.14 The Governmental Agency shall perform an annual maintenance audit which maintenance audit shall be submitted to the WDA and the Public Service Commission of West Virginia.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

(c) The Governmental Agency shall either have received bids or entered into contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan will refund an interim construction financing, 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 and the Council 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 and the Council 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") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council 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 and the Council, 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, including compliance with Chapter 21, Article 1D of the Code of West Virginia, 1931, as amended, and the Authority and the Council 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), with all requisite appeal periods having expired without successful appeal, and the Authority and the Council 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 and the Council, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and the Council shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority and the Council, 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 on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of projects and satisfactory to the Authority and the Council, to such effect, such certificate to be in form and substance satisfactory to the Authority and the Council, and evidence satisfactory to the Authority and the Council 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, the Council 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, the Council 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 or such later date as is agreed to in writing by the Council.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

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 adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

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

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

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

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

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

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; 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 the Authority 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 or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law;

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

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

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

(xiv) That the proceeds of the Local Bonds, advanced from time to time, 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) and/or (b) be used to pay (or redeem)

bond anticipation notes or other interim financing 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 and the Council, 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 may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

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

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month. When required by the Authority, the Local Entity shall make monthly payments to the Commission by electronic transfer;

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

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for federal income tax purposes of interest on the State's general obligation bonds or any bonds secured by the Local Bonds;

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

of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

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

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule B attached to the certificate of the Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before making any changes to the final Schedule B and also before expending any proceeds of the Local Bonds available due to bid/construction/project underruns;

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the "West Virginia Jobs Act") and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Governmental Agency shall provide the Council and the Authority with a certificate stating that (I) the Governmental Agency will comply with all the requirements of the West Virginia Jobs Act; (II) the Governmental Agency has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (III) the Governmental Agency has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (IV) the Governmental Agency will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state

wherein the employees reside and their occupation, following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Governmental Agency is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

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, validity, 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 and the Council.

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

4.4 The Loan shall bear interest from the date and 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 expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

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 and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, 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 (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment due to the Authority pursuant to this Loan Agreement, 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 the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority and the Council 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 and the Council shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and the Council 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 the Act or this Loan Agreement.

6.2 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.

6.3 Notwithstanding Section 6.2, 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.

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

6.5 The Governmental Agency hereby agrees to file with the Authority and the Council upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule B 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, if any, may be 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 Schedules X and Y 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 and the Council.

7.3 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

7.4 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.

7.5 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.

7.6 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.

7.7 This Loan Agreement 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.

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine

Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

7.9 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.

7.10 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 or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;
- (ii) termination by the Authority and the Council pursuant to Section 6.1 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, acting on behalf of the Council.

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.

JANE LEW PUBLIC SERVICE DISTRICT

(SEAL)

Attest:

Clara P. Huse
Its: Secretary

By: *Osman Mills*
Its: Chairman
Date: May 6, 2013

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

Attest:

Sheila B. Miller
Its: Authorized Officer

By: *[Signature]*
Its: Executive Director
Date: May 6, 2013

{C2584684.1}

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

(Name of Bonds)

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

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated _____.

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by [DEP/BPH/PSC] and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the schematic design for the Project began [before July 1, 2012]; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as

Exhibit A and my firm¹ has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (v) the successful bidders received any and all addenda to the original bid documents; (vi) all contractors to be awarded contracts for the construction of the Project have submitted affidavits indicating such contractor has a drug free workplace plan pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended; (vii) the bid documents relating to the Project reflect the Project as approved by the [DEP/BPH/PSC] and the bid forms provided to the bidders contain all critical operational components of the Project; (viii) the successful bids include prices for every item on such bid forms; (ix) the uniform bid procedures were followed; (x) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (xi) as of the effective date thereof, ²the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (xii) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project set forth in the Schedule B attached hereto and approved by the Council; and (xiii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

4. The Project will serve _____ new customers in the _____ area.

WITNESS my signature and seal on this _____ day of _____, ____.

[SEAL]

By: _____
West Virginia License No. _____

¹If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

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

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
1009 Bullitt Street
Charleston, WV 25301

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, _____, including all schedules and exhibits attached thereto (the “Loan Agreement”), between the Governmental Agency and the West Virginia Water Development Authority (the “Authority”), on behalf of the West Virginia Infrastructure and Jobs Development Council (the “Council”), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, _____ (the “Local Bonds”), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of \$_____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning , 1, _____, and ending _____, 1, _____, as set forth in the “Schedule Y” attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

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

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the “Local Statute”), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (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 has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the

conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

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

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

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

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

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

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

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

Name of Governmental Agency _____
 Name of Bond Issue(s) _____
 Type of Project _____ Water _____ Wastewater _____
 Fiscal Year _____ Report Month _____

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

 Name of Person Completing Form

 Address

 Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

- Item 1 You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of \$1,200 are anticipated to be received for the year, each month the base would be increased by \$100 ($\$1,200/12$). This is the incremental amount for the Budget Year-to-Date column.
- Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of \$900 are anticipated to be incurred for the year, each month the base would be increased by \$75 ($\$900/12$). This is the incremental amount for the Budget Year-to-Date column.
- Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.
- Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are \$1,200, then \$30 (2.5% of \$1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

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

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	\$	
Principal	\$	
Total:		\$
Reserve Account:		\$

Witness my signature this ____ day of _____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	\$5,167,000
Purchase Price of Local Bonds	\$5,167,000

The Local Bonds shall bear no interest. Commencing March 1, 2015, principal on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall authorize the Commission to electronically debit its monthly payments. The Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

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

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Governmental Agency: Jane Lew Public Service District Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015.

Number of New Users: 313
Location: Westfield and Lightburn areas

SCHEDULE Y DEBT SERVICE SCHEDULE

Bond Debt Service			
Jane Lew PSD			
IF			
\$5,167,000			
40 Years from Closing Date			
0% Interest Rate			
	Dated Date	5/6/2013	
	Delivery Date	5/6/2013	
Period Ending	Principal	Interest	Debt Service
3/1/2015	33,772		33,772
6/1/2015	33,772		33,772
9/1/2015	33,772		33,772
12/1/2015	33,772		33,772
3/1/2016	33,772		33,772
6/1/2016	33,772		33,772
9/1/2016	33,772		33,772
12/1/2016	33,772		33,772
3/1/2017	33,772		33,772
6/1/2017	33,772		33,772
9/1/2017	33,772		33,772
12/1/2017	33,772		33,772
3/1/2018	33,772		33,772
6/1/2018	33,772		33,772
9/1/2018	33,772		33,772
12/1/2018	33,772		33,772
3/1/2019	33,772		33,772
6/1/2019	33,772		33,772
9/1/2019	33,772		33,772
12/1/2019	33,772		33,772
3/1/2020	33,772		33,772
6/1/2020	33,772		33,772
9/1/2020	33,772		33,772
12/1/2020	33,772		33,772
3/1/2021	33,772		33,772
6/1/2021	33,772		33,772
9/1/2021	33,772		33,772
12/1/2021	33,772		33,772
3/1/2022	33,772		33,772
6/1/2022	33,772		33,772
9/1/2022	33,772		33,772
12/1/2022	33,772		33,772
3/1/2023	33,772		33,772
6/1/2023	33,772		33,772
9/1/2023	33,772		33,772
12/1/2023	33,772		33,772
3/1/2024	33,771		33,771
6/1/2024	33,771		33,771
9/1/2024	33,771		33,771
12/1/2024	33,771		33,771
3/1/2025	33,771		33,771
6/1/2025	33,771		33,771
9/1/2025	33,771		33,771

Bond Debt Service			
Jane Lew PSD			
IF			
\$5,167,000			
40 Years from Closing Date			
0% Interest Rate			
Period Ending	Principal	Interest	Debt Service
12/1/2025	33,771		33,771
3/1/2026	33,771		33,771
6/1/2026	33,771		33,771
9/1/2026	33,771		33,771
12/1/2026	33,771		33,771
3/1/2027	33,771		33,771
6/1/2027	33,771		33,771
9/1/2027	33,771		33,771
12/1/2027	33,771		33,771
3/1/2028	33,771		33,771
6/1/2028	33,771		33,771
9/1/2028	33,771		33,771
12/1/2028	33,771		33,771
3/1/2029	33,771		33,771
6/1/2029	33,771		33,771
9/1/2029	33,771		33,771
12/1/2029	33,771		33,771
3/1/2030	33,771		33,771
6/1/2030	33,771		33,771
9/1/2030	33,771		33,771
12/1/2030	33,771		33,771
3/1/2031	33,771		33,771
6/1/2031	33,771		33,771
9/1/2031	33,771		33,771
12/1/2031	33,771		33,771
3/1/2032	33,771		33,771
6/1/2032	33,771		33,771
9/1/2032	33,771		33,771
12/1/2032	33,771		33,771
3/1/2033	33,771		33,771
6/1/2033	33,771		33,771
9/1/2033	33,771		33,771
12/1/2033	33,771		33,771
3/1/2034	33,771		33,771
6/1/2034	33,771		33,771
9/1/2034	33,771		33,771
12/1/2034	33,771		33,771
3/1/2035	33,771		33,771
6/1/2035	33,771		33,771
9/1/2035	33,771		33,771
12/1/2035	33,771		33,771
3/1/2036	33,771		33,771
6/1/2036	33,771		33,771
9/1/2036	33,771		33,771
12/1/2036	33,771		33,771
3/1/2037	33,771		33,771
6/1/2037	33,771		33,771

Bond Debt Service			
Jane Lew PSD			
IF			
\$5,167,000			
40 Years from Closing Date			
0% Interest Rate			
Period Ending	Principal	Interest	Debt Service
9/1/2037	33,771		33,771
12/1/2037	33,771		33,771
3/1/2038	33,771		33,771
6/1/2038	33,771		33,771
9/1/2038	33,771		33,771
12/1/2038	33,771		33,771
3/1/2039	33,771		33,771
6/1/2039	33,771		33,771
9/1/2039	33,771		33,771
12/1/2039	33,771		33,771
3/1/2040	33,771		33,771
6/1/2040	33,771		33,771
9/1/2040	33,771		33,771
12/1/2040	33,771		33,771
3/1/2041	33,771		33,771
6/1/2041	33,771		33,771
9/1/2041	33,771		33,771
12/1/2041	33,771		33,771
3/1/2042	33,771		33,771
6/1/2042	33,771		33,771
9/1/2042	33,771		33,771
12/1/2042	33,771		33,771
3/1/2043	33,771		33,771
6/1/2043	33,771		33,771
9/1/2043	33,771		33,771
12/1/2043	33,771		33,771
3/1/2044	33,771		33,771
6/1/2044	33,771		33,771
9/1/2044	33,771		33,771
12/1/2044	33,771		33,771
3/1/2045	33,771		33,771
6/1/2045	33,771		33,771
9/1/2045	33,771		33,771
12/1/2045	33,771		33,771
3/1/2046	33,771		33,771
6/1/2046	33,771		33,771
9/1/2046	33,771		33,771
12/1/2046	33,771		33,771
3/1/2047	33,771		33,771
6/1/2047	33,771		33,771
9/1/2047	33,771		33,771
12/1/2047	33,771		33,771
3/1/2048	33,771		33,771
6/1/2048	33,771		33,771
9/1/2048	33,771		33,771
12/1/2048	33,771		33,771
3/1/2049	33,771		33,771

Bond Debt Service			
Jane Lew PSD			
IF			
\$5,167,000			
40 Years from Closing Date			
0% Interest Rate			
Period Ending	Principal	Interest	Debt Service
6/1/2049	33,771		33,771
9/1/2049	33,771		33,771
12/1/2049	33,771		33,771
3/1/2050	33,771		33,771
6/1/2050	33,771		33,771
9/1/2050	33,771		33,771
12/1/2050	33,771		33,771
3/1/2051	33,771		33,771
6/1/2051	33,771		33,771
9/1/2051	33,771		33,771
12/1/2051	33,771		33,771
3/1/2052	33,771		33,771
6/1/2052	33,771		33,771
9/1/2052	33,771		33,771
12/1/2052	33,771		33,771
3/1/2053	33,772		33,772
	5,167,000		5,167,000

SCHEDULE Z

(None)

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 26th day of March, 2013.

CASE NO. 09-1043-PSD-42T-PC-PW-CN (REOPENED)

JANE LEW PUBLIC SERVICE DISTRICT,
a public utility, Jane Lew, Lewis County.

Application for a general increase to rates and charges,
for a certificate of convenience and necessity, and
for approval of inter-utility agreements.

COMMISSION ORDER

The Commission approves additional borrowing and increased post-project rates.

BACKGROUND

On June 9, 2010, the Commission granted Jane Lew Public Service District a certificate of convenience and necessity for additions and improvements to its wastewater system in Lewis County. The project included decommissioning the treatment plant, connecting the Jane Lew wastewater system to the Weston Sanitary Board facilities, and adding about 300 customers to the Jane Lew system. The Commission also approved increased rates to become effective upon the completion of the project, as well as the following financing:

\$1,500,000	Small Cities Block Grant
\$1,500,000	West Virginia Infrastructure & Jobs Development Council grant
<u>\$3,867,000</u>	West Virginia Infrastructure loan, 38 years at 0% interest
\$6,867,000	

Rec. Dec. at 1-12 (June 1, 2010, final June 9, 2010 by Commission Order issued on June 4, 2010 Waiving Exceptions Period); Petition to Reopen at 1-2 & attachments (Dec. 21, 2012).

On December 21, 2012, Jane Lew asked the Commission to authorize higher post-project rates and to approve an additional loan amount. The low bid for the project exceeded the estimated construction cost by more than \$1,000,000, and the cost of

easement and land acquisition was higher than expected. Jane Lew stated that the estimated project cost has increased to \$8,167,000, and the additional amount will be financed by a \$1,300,000 West Virginia Infrastructure & Jobs Development Council loan payable over thirty-eight years at zero percent interest. Id.

Since the Commission approved this certificate project, a large industrial customer has gone out of business, and with less usage than expected Jane Lew cannot close on project financing. Jane Lew provided a Rule 42 financial exhibit that shows that post-project rates need to be increased by 11.6% across the board. The chart below shows the authorized and requested post-project rates:

	Previously Authorized Post-Project Rates	Requested Post-Project Rates
First 2,000 gallons used per month	\$12.27 per 1,000 gallons	\$13.69 per 1,000 gallons
Next 3,000 gallons used per month	\$10.57 per 1,000 gallons	\$11.80 per 1,000 gallons
Next 4,000 gallons used per month	\$9.21 per 1,000 gallons	\$10.26 per 1,000 gallons
Next 6,000 gallons used per month	\$7.85 per 1,000 gallons	\$8.76 per 1,000 gallons
All Over 15,000 gallons used per month	\$7.14 per 1,000 gallons	\$7.96 per 1,000 gallons

On January 3, 2013, Jane Lew advised that project bids expire on April 5, 2013, and requested a final Commission Order by March 4, 2013. Ltr. at 1.

On January 31, 2013, Jane Lew filed a funding letter issued by the Infrastructure Council for a \$1,300,000 loan payable over forty years at zero percent interest. Jane Lew Response to Staff's 1st Data Request at 1-4 (Attachment 1).

On February 25, 2013, Jane Lew filed Affidavits of Publication evidencing that notice of the proposed increased rates and additional funding was published two times in both Lewis and Harrison Counties. The notice provided thirty days to file comments, and the last publication date in either county was January 31, 2013.

To date, more than thirty days have passed and no comments have been filed in response to the published notices.

On March 21, 2013, Commission Staff recommended approval of the additional loan and slightly different increased post-project rates. Final Joint Staff Memorandum at 1-2; Utilities & Engineering Divisions Final Recommendation at Schedule 4, attached to Final Joint Staff Memorandum.

On March 22, 2013, Jane Lew advised that it concurred with the Staff recommendation and requested that the Commission act quickly so that the utility could close on project financing before the construction bids expire on April 19, 2013. Ltr. at 1.

DISCUSSION

This project will bring public sewer service to about 300 customers and take a severely deteriorated wastewater treatment plant out of service. Rec. Dec. at 8 (Finding of Fact No. 8). Jane Lew has secured a zero-interest loan to cover the additional costs and no protests were filed in response to published notice of increased post-project rates. The Staff recommended post-project rates are lower than the utility proposal only by a penny, and Jane Lew has advised that it accepts the Staff recommendation. Under these circumstances, the Commission concludes that the project continues to be in the public interest and is reasonably financed. We will grant the petition to reopen and approve the Staff-recommended tariff for post-project rates.

FINDINGS OF FACT

1. The Commission granted Jane Lew a certificate of convenience and necessity for additions and improvements to its wastewater system and approved post-project rates and the following project financing:

\$1,500,000	Small Cities Block Grant
\$1,500,000	West Virginia Infrastructure & Jobs Development Council grant
<u>\$3,867,000</u>	West Virginia Infrastructure loan, 38 years at 0% interest
\$6,867,000	

Rec. Dec. at 1-12 (June 1, 2010, final June 9, 2010 by Commission Order issued on June 4, 2010 Waiving Exceptions Period); Petition to Reopen at 1-2 & attachments (Dec. 21, 2012).

2. On December 21, 2012, Jane Lew asked the Commission to authorize higher post-project rates and approve an additional loan amount. Petition to Reopen at 1-2 & attachments (Dec. 21, 2012).

3. Jane Lew secured a \$1,300,000 Infrastructure Council loan payable over thirty-eight years at zero percent interest to cover the additional costs. Jane Lew Response to Staff's 1st Data Request at 1-4 (Attachment 1) (Jan. 3, 2013).

4. Jane Lew published notice of the proposed increased post-project rates two times in Lewis and Harrison Counties. *The Weston Democrat* Affidavit of Publication; *The Exponent Telegram* Affidavit of Publication (Feb. 25, 2013).

5. More than thirty days have passed since the last publication date and no protests have been filed in response to the published notices.

6. Commission Staff recommended approval of the additional loan and slightly lower post-project rates in three of the five rate blocks:

Post-project rates	Previously authorized	Jane Lew proposed	Staff recommended
First 2,000 gallons used per month	\$12.27 per 1,000 gal.	\$13.69 per 1,000 gal.	\$13.68 per 1,000 gal.
Next 3,000 gallons used per month	\$10.57 per 1,000 gal.	\$11.80 per 1,000 gal.	\$11.79 per 1,000 gal.
Next 4,000 gallons used per month	\$9.21 per 1,000 gal.	\$10.26 per 1,000 gal.	\$10.26 per 1,000 gal.
Next 6,000 gallons used per month	\$7.85 per 1,000 gal.	\$8.76 per 1,000 gal.	\$8.75 per 1,000 gal.
All Over 15,000 gallons used per month	\$7.14 per 1,000 gal.	\$7.96 per 1,000 gal.	\$7.96 per 1,000 gal.

Final Joint Staff Memorandum at 1-2; Utilities & Engineering Divisions Final Recommendation at Schedule 4, attached to Final Joint Staff Memorandum (Mar. 21, 2013).

CONCLUSIONS OF LAW

1. The terms of the additional \$1,300,000 Infrastructure loan are reasonable.
2. The Staff-recommended post-project rates are reasonable.
3. This Jane Lew project continues to be in the public interest and is reasonably financed.

ORDER

IT IS THEREFORE ORDERED that the Jane Lew petition to reopen is granted.

IT IS FURTHER ORDERED that the Staff-recommended tariff that contains the following post-project rates is approved for service rendered on and after substantial completion of the certificate project:

	Approved Post-Project Rates
First 2,000 gallons used per month	\$13.68 per 1,000 gallons
Next 3,000 gallons used per month	\$11.79 per 1,000 gallons
Next 4,000 gallons used per month	\$10.26 per 1,000 gallons
Next 6,000 gallons used per month	\$8.75 per 1,000 gallons
All Over 15,000 gallons used per month	\$7.96 per 1,000 gallons

IT IS FURTHER ORDERED that within thirty days of the date of this Order, Jane Lew shall file an original and six copies of a revised tariff that contains the Staff-recommended provisions that are approved above.

IT IS FURTHER ORDERED that the following revised project financing is approved:

- \$1,500,000 Small Cities Block Grant
- \$1,500,000 West Virginia Infrastructure & Jobs Development Council grant
- \$3,867,000 West Virginia Infrastructure loan, 38 years at 0% interest
- \$1,300,000 West Virginia Infrastructure loan, 38 years at 0% interest
- \$8,167,000

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

IT IS FURTHER ORDERED that except as modified by this Order, the Recommended Decision issued on June 1, 2010, that became final on June 9, 2010, by Commission Order issued on June 4, 2010, remains in full force and effect.

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

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order by electronic service on all parties of record who have filed an e-service agreement, and by United States First Class Mail on all parties of record who have not filed an e-service agreement, and on Commission Staff by hand delivery.

A True Copy, Teste:


Sandra Squire
Executive Secretary

CLW/sk
091043cf.doc

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 4th day of June 2010.

CASE NO. 09-1043-PSD-42T-PC-PW-CN

JANE LEW PUBLIC SERVICE DISTRICT
a public utility, Jane, Lew, Lewis County.

Application for a general increase to rates and charges,
for a certificate of convenience and necessity, and
for approval of inter-utility agreements.

COMMISSION ORDER
WAIVING EXCEPTION PERIOD

On June 1, 2010, the Administrative Law Judge entered a Recommended Decision that granted a certificate of convenience and necessity to Jane Lew Public Service District (Applicant) to decommission an existing wastewater treatment plant, and to construct collection and transmission facilities to interconnect with the facilities of the Weston Sanitary Board, to become effective on and after the date that the Recommended Decision becomes a final order of the Commission.

On June 2, 2010, the Applicant filed a petition to waive the fifteen-day period of time in which a party may file exceptions to the Recommended Decision in this proceeding.

Commission Staff has indicated it does not intend to file exceptions in this case. There are no other parties in this case.

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

IT IS THEREFORE ORDERED that the requested waiver is granted.

IT IS FURTHER ORDERED that the Administrative Law Judge June 1, 2010 Recommended Decision in this matter becomes final five days after the date of this order, absent further action by the Commission.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this order by electronic service on all parties of record who have filed an e-service agreement, and by United States First Class Mail on all parties of record who have not filed an e-service agreement, and Commission Staff by hand delivery.

A True Copy, Teste:


Sandra Squire
Executive Secretary

SS/kc
091043sa.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: June 1, 2010

FINAL

6/9/2010

Per Commission
Order Waiving the
Exception Period

CASE NO. 09-1043-PSD-42T-PC-PW-CN

JANE LEW PUBLIC SERVICE DISTRICT,
a public utility, Jane Lew, Lewis County.Application for a general increase to rates and charges,
for a certificate of convenience and necessity, and
for approval of inter-utility agreements.RECOMMENDED DECISION

On June 24, 2009, Jane Lew Public Service District (Applicant) filed an application to increase rates and charges, a petition for waiver of advance notice requirements, an application for a certificate of convenience and necessity and a petition for approval of agreements with other utilities. The District requested a 15% non-project-related rate increase, a waiver of the thirty (30) day advance notice requirement, and a certificate of convenience and necessity for a project which would decommission the District's existing wastewater treatment plant, construct collection and transmission facilities to interconnect with the wastewater collection and transmission facilities of the Weston Sanitary Board and connect approximately 300 customers along the new collection and transmission facilities. The District currently serves approximately 600 customers. The total estimated project cost is \$5,367,000 and the annual operating cost is projected to be \$430,567. Proposed financing for the project consists of a Small Cities Block Grant in the amount of \$1,500,000, a \$1,500,000 grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC) and a \$3,867,000 WVIJDC loan for 40 years at 0% interest. The District also requested a post-project rate increase of 15% over and above the pre-project 15% increase the District requested herein. The District also requested that the Commission approve the District's proposed agreements with the City of Weston (Weston) and West Virginia-American Water Company (WVAWC).

By Commission Order dated June 24, 2009, the Applicant was directed to give notice of the filing of its application by publishing a copy of said Order once in a qualified newspaper, published and in general circulation in Lewis County, West Virginia, making due return to the Commission of a proper certification of publication immediately thereafter. Anyone interested in the application was given thirty (30) days in which to file written protests or petitions to intervene. The Order further noted that, if no protests were received within the thirty-day period, the Commission could waive formal hearing and grant the

application based on the evidence submitted with the application and the Commission's review thereof.

On July 7, 2009, a written protest was filed. Attached to the protest were sixty-nine (69) signatures.

On July 10, 2009, Staff Attorney C. Terry Owen filed the Joint Staff Memorandum in response to motions for waiver and expedited relief. Staff recommended that the effective date of the non-project-related tariff be suspended for the full statutory period. Staff did not object to the waiver of the remainder of the thirty-day notice of intent to file a general rate proceeding. Staff recommended that the proceeding be referred to the Division of Administrative Law Judges.

On July 13, 2009, the District filed a response to the Joint Staff Memorandum filed on July 10, 2009. The District stated that it currently serves approximately 600 customers, not 900 customers as stated in the Staff memorandum.

On July 17, 2009, Staff filed its first data requests to the District.

On July 17, 2009, Staff Attorney Owen filed the Initial Joint Staff Memorandum to which was attached the July 16, 2009 Initial Internal Memorandum prepared by Karen L. Buckley, Utilities Analyst II, Pamela D. Latocha, Utilities Analyst II, and Sandra M. Mitchell, Utilities Analyst II, all of the Water and Wastewater Division. Staff reported that the District filed an application on June 25, 2009, to construct, operate and maintain additions and improvements to its sewer system located in Lewis County. The District also filed a general rate case seeking both a 15% non-project-related rate increase and a 15% project-related rate increase. The District also sought the Commission's approval to enter into contracts with Weston and WVAWC. The District proposed to decommission its treatment plant and connect with Weston for sewage treatment. Since many of the District's customers have water service through WVAWC, the District wanted to obtain the monthly metered water consumption for its sewer customers from WVAWC for billing purposes.

The proposed project will result in the addition of approximately 300 new customers along the collection and transmission lines to be constructed. The proposed project is Phase II of a project certificated by the Commission in Case No. 04-0139-PSD-CN. The project is also related to the Commission's certification of a Weston project in Case No. 07-0334-S-CN. Total costs for the proposed project are estimated to be \$6,867,000 and will be financed by a \$1,500,000 Small Cities Block Grant, a \$1,500,000 grant from the WVIJDC and a \$3,867,000 WVIJDC loan with a term of forty (40) years and an annual interest rate of 0%. No interim financing will be required.

The inter-utility agreement with Weston provides for treatment of the District's wastewater at a rate of \$1.50 per thousand gallons with a one-time true-up after one (1) year of delivered flows have been measured and treated. After the true-up, Weston will adjust the District's rate for inflation every two (2) years.

The inter-utility agreement with WVAWC requires the District to pay \$0.20 per customer per month to WVAWC for metered water consumption readings. The one-year agreement has an evergreen clause. WVAWC reserves the right to change the per customer rate each year on the date of renewal.

The District's annual report for the fiscal year ending June 30, 2008, reports sewer operating revenues of \$289,010. Staff opined that the District's Rule 42 filing is insufficient for Staff to conduct a proper review of the District's rate request. Staff requested that the District provide, within ten (10) days of receipt of the memorandum, a revised Rule 42 exhibit based upon the test year ending June 30, 2009, and an explanation of a discrepancy in the proposed non-project rate increase.

By Commission Order dated July 22, 2009, the proposed Rule 42T rate increase was suspended until November 22, 2009, Commission Staff was required to file its audit report regarding the Rule 42T rates on or before August 21, 2009; the issue of Rule 42T rates was referred to the Division of Administrative Law Judges with a decision due date of on or before October 9, 2009, and a decision due date of on or before November 6, 2009, regarding the certificate project and project-related rates. However, if a substantial protest was received within thirty (30) days regarding the certificate project, the decision due date would be on or before December 6, 2009.

On July 27, 2009, the District filed a letter indicating that the District was conferring with Staff regarding additional financial information.

On July 28, 2009, the District filed its responses to Staff's first data requests.

On July 29, 2009, the District filed a Motion to Toll Suspension Period, Extend Staff Report Due Date and Administrative Law Judge's Decision Due Date Regarding Rule 42T Rates.

By Commission Order dated August 13, 2009, the Motion to Toll was granted and the decision due date for the Division of Administrative Law Judges was extended until January 29, 2010. The new statutory deadline was April 12, 2010, and the proposed Rule 42T rates were suspended until April 13, 2010.

On October 1, 2009, the District filed a completed Certificate of Notice to Customers of Change in Tariff, which indicated that on July 1, 2009, the District issued bills for sewer service by postcard which included the statement that the utility was seeking a rate increase. The District also filed an affidavit of publication from The Weston Democrat which reflected that on July 1, 2009, and July 8, 2009, the Notice of Filing had been published in that newspaper which is generally circulated in Lewis County. Finally, the District filed an affidavit of publication from The Exponent Telegram which reflected that on June 27, 2009, and July 4, 2009, the Notice of Filing had been published in that newspaper which is generally circulated in Harrison County.

By Procedural Order dated October 16, 2009, Staff was required to file its final recommendations regarding the Rule 42T rates, the certificate filing, project-related rates and the two (2) inter-utility contracts on or before December 11, 2009.

On November 12, 2009, the District filed a Motion to Toll, Extend Staff Report Due Date and Administrative Law Judge's Decision Due Date.

By Commission Order dated November 19, 2009, the Motion to Toll was granted. The decision due date for the Division of Administrative Law Judges was extended by sixty (60) days, or until March 30, 2010.

By Procedural Order dated November 23, 2009, Commission Staff was required to file its final recommendations in the matter regarding project and non-project rates, the certificate filing and the inter-utility contracts on or before February 9, 2010.

On December 14, 2009, Staff Attorney Owen filed the Final Joint Staff Memorandum to which was attached the December 10, 2010 Utilities Division Final Memorandum prepared by Ms. Buckley. Staff recommended that, since the District had failed to file its revised Rule 42, the case be dismissed for failure to provide the necessary financial information. Alternatively, the District might file another motion to toll the statutory deadline.

On December 23, 2009, the District filed a motion to toll, extend the Staff Report due date and extend the decision due date for the Division of Administrative Law Judges.

On December 23, 2009, the District filed a response to the Final Joint Staff Memorandum.

On December 23, 2009, the District filed its first amended response to Staff's data requests. Included in the amended response was a revised Rule 42 exhibit.

By Commission Order dated January 7, 2010, the Motion to Toll was granted. The decision due date for the Division of Administrative Law Judges was extended by thirty (30) days, or until April 29, 2010.

By Procedural Order dated January 8, 2010, Staff was directed to file its final recommendations on or before March 11, 2010.

On March 11, 2010, Staff Attorney Owen filed the Final Joint Staff Memorandum to which was attached the March 11, 2010 Staff Report prepared by Ms. Buckley and James Spurlock, Engineering Division. Staff determined that the District has a deficit of \$18,587 and a coverage factor of 58% at going-level rates. The District's outstanding bonds require a coverage factor of 115%. Staff calculated a three-year average of annual net additions of \$13,915. The Staff-recommended non-project rates would produce \$13,974 in total cash available for capital additions. Debt service coverage would increase to 190%. Staff calculated the leak adjustment to be \$1.10 per thousand gallons.

The proposed project includes the construction of collection and transmission facilities to interconnect with the wastewater collection

and transmission facilities of the Weston Sanitary Board. Approximately 300 new customers are to be added. The project consists of the installation of 11 miles of various sizes of sanitary sewer lines and 16 pump stations. All sewage is to be pumped to the City of Weston's existing Jackson's Mill lift station and is to be treated at the City of Weston wastewater treatment plant. The proposed project was determined to be the most feasible alternative.

The total estimated project cost is \$6,867,000, or \$22,890 per new customer. Since the interconnection with the City of Weston will benefit the District's entire customer base, which consists of approximately 855 customers, the cost per customer is \$8,032. Operation and maintenance expenses are projected to increase by \$135,049. Engineering costs are \$1,068,645, or 19.4% of the construction cost of \$5,505,995. The percentage of engineering costs is usually in the 12-18% range.

The District has obtained all necessary permits for the project. Staff's review of the project's plans and specifications did not reveal any conflicts with the Commission's rules and regulations.

The project, estimated to cost approximately \$6,867,000, will be financed with a \$1,500,000 Small Cities Block Grant, a \$1,500,000 grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC), and a \$3,867,000 WVIJDC loan with a term of 38 years and an annual interest rate of 0%. The loan requires principal payments of \$101,763. Funding commitment for all sources was submitted with the application. The District will be required to fund a debt reserve account and deposit 10% of its annual payment into a separate account until an amount equal to one full year's payments is on hand. The debt reserve is included with the Staff-recommended post-project rates. The WVIJDC also requires a depreciation/renewal and replacement reserve equal to 2.5% of operating revenues.

In December, the District filed a Rule 42 exhibit based on the year ending June 30, 2009, which included pro forma adjustments for the project. The District proposed to increase its rates and charges over its non-project-related increased rates and charges by approximately 34.7%. Staff made adjustments to the District's pro forma calculations and recommended a 36.3% across-the-board increase for post-project rates over the Staff-recommended pre-project rates which provides the District with a cash flow surplus of \$14,583 and debt coverage of 126%.

Staff calculated the District's leak adjustment charge to be \$3.83 for post-project rates.

The District also filed a Service Agreement between it and the Weston Sanitary Board. For the first 24 months from the date the District begins delivery of wastewater to the Weston Sanitary Board, the rate to be charged by the Weston Sanitary Board to the District shall be \$1.50 per 1,000 gallons of wastewater as measured by the flow meter installed at the interconnection point. The initial bulk rate is to be adjusted at the conclusion of the term through the use of a formula attached to the agreement. The agreement provides for future adjustments according to a formula.

The District also filed a usage agreement between the District and West Virginia-American Water Company (WVAWC). The agreement provides that WVAWC will charge the District \$0.20 per customer for each billing period and \$0.20 per customer for each final reading when service is discontinued. The agreement shall automatically renew each July 1st for successive terms of 12 consecutive months.

Staff recommended that, pursuant to West Virginia Code §§24-2-11 and 16-13A-25, the District's application for a certificate of convenience and necessity to decommission the District's existing wastewater treatment plant, construct collection and transmission facilities to interconnect with the wastewater collection and transmission facilities of the Weston Sanitary Board, and connect approximately 300 new customers along the course of the new collection and transmission facilities, at a cost of \$6,867,000, be approved.

Staff also recommended approval of the following: (1) project financing consisting of a Small Cities Block Grant in the amount of \$1,500,000; a WVIJDC grant in the amount of \$1,500,000; and a WVIJDC loan in the amount of \$3,867,000, for 38 years at 0% interest; (2) approval of the service agreement between the Weston Sanitary Board and the District subject to certain conditions; (3) approval of the usage agreement between WVAWC and the District subject to certain conditions; and (4) approval of the Staff-recommended rates and charges.

By Commission Order dated March 26, 2010, the District was required to immediately give notice to its customers of the Staff-recommended increased water rates and charges.

On March 29, 2010, the District filed a motion to toll, extend the decision due date for the Division of Administrative Law Judges and revise the procedural order. The District contended that the July 7, 2009 petition signed by 69 persons constituted a substantial protest which required a public hearing. The District further argued that a hearing should be set and notice of the hearing published by the District should contain the Staff-recommended rates.

On April 9, 2010, the District filed a letter indicating that Staff and the District were available for hearing on April 28 and 30, 2010.

By Commission Order dated April 12, 2010, the decision due date for the Division of Administrative Law Judges was extended until June 1, 2010; the proposed Rule 42T rates were suspended until August 11, 2010; and the new statutory deadline was set at August 11, 2010.

By Procedural Order dated April 15, 2010, the District was ordered to immediately publish the Revised Notice of Filing and Notice of Hearing and to make due return to the Commission of proper certification of publication immediately after publication.

On April 27, 2010, one (1) letter of protest was filed.

On April 28, 2010, the District requested that the Commission issue a subpoena for Stan Wolfe of the West Virginia Department of Environmental Protection in Fairmont, to attend the hearing scheduled for May 5, 2010.

On April 28, 2010, the Commission issued the subpoena.

On April 30, 2010, the District filed two (2) affidavits of publication which reflected that the Revised Notice of Filing and Notice of Public Hearing had been published in the Weston Democrat and the Exponent Telegram.

By Procedural Order dated April 30, 2010, any party to the proceeding requesting an additional hearing in the matter was required to make such a request on or before the close of the hearing on May 5, 2010.

On May 5, 2010, the hearing took place as scheduled. Terry Owen, Esquire, represented Commission Staff. James V. Kelsh, Esquire, represented the District. No witnesses testified at the hearing. Three (3) members of the public made comment. Mr. and Mrs. White opposed a right-of-way on their property for the sewer line extension. The easement may interfere with other utilities. A release valve and clean out may produce odor. (Tr. pp. 10-12). Mr. Light expressed concern regarding the bulk service agreement and the proposed closing of the Jane Lew plant. (Tr. pp. 12-13).

As of the date of this Order, the District has filed no written response to Staff's final recommendations.

FINDINGS OF FACT

1. On June 24, 2009, the Jane Lew Public Service District filed an application for a certificate of convenience and necessity for a project which would decommission the District's existing wastewater treatment plant, construct collection and transmission facilities to interconnect with the wastewater collection and transmission facilities of the Weston Sanitary Board and connect approximately 300 customers along the new connection and transmission facilities. The proposed project will be financed with a Small Cities Block Grant in the amount of \$1,500,000; a \$1,500,000 grant from the West Virginia Infrastructure and Jobs Development Council; and a \$3,867,000 loan from the West Virginia Infrastructure and Jobs Development Council for 40 years at 0% interest. The funding has been committed. (See, application filed June 24, 2009).

2. The District proposed a 15% pre-project rate increase and a post-project increase of 15% over and above the pre-project 15% increase. (See, application filed June 24, 2009).

3. The District also requested that the Commission approve the District's proposed agreements with the City of Weston and West Virginia-American Water Company. (See, application filed June 24, 2009).

4. On October 1, 2009, the District filed an Affidavit of Publication reflecting that, in compliance with the Commission's Order, dated June 24, 2009, the Notice of Filing had been published on July 1 and 8, 2009, in The Weston Democrat, a qualified newspaper which is generally circulated in Lewis County, and on June 27, 2009, and July 4, 2009, in The Exponent Telegram, a qualified newspaper which is generally circulated in Harrison County. (See, filing dated October 1, 2009).

5. Commission Staff recommended that the District be granted a certificate of convenience and necessity to decommission the District's existing wastewater treatment plant, construct collection and transmission facilities to interconnect with the wastewater collection and transmission facilities of the Weston Sanitary Board and connect approximately 300 new customers along the course of the new collection and transmission facilities, at a cost of \$6,867,000. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

6. Commission Staff also recommended that the project financing, consisting of a Small Cities Block Grant in the amount of \$1,500,000; a West Virginia Infrastructure and Jobs Development Council grant in the amount of \$1,500,000; and a West Virginia Infrastructure and Jobs Development Council loan in the amount of \$3,867,000, for 38 years at 0% interest, be approved. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

7. Commission Staff further recommended that the service agreement between the District and the Weston Sanitary Board and the usage agreement between the District and West Virginia-American Water Company be approved, subject to certain conditions. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

8. The project will extend service to approximately 300 more customers, who currently are without sewage collection facilities, and is the second phase of a project originally certificated in Case No. 04-0319-PSD-CN. The instant project also is related to the Commission's certification of a Weston project in Case No. 07-0334-S-CN. The District's treatment plant is severely deteriorated. See, filing dated June 24, 2009; Initial Joint Staff Memorandum and attachment filed July 17, 2009).

9. At going-level, the District's current rates and charges are generating a cash flow deficit of \$(18,587) and a debt service coverage of only 0.58%. The current coverage requirement on the District's outstanding bonds is 115%. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010,)

10. After review and investigation, Commission Staff recommended an increase in non-project rates which will produce \$13,974 in total cash available for capital additions and increase debt service coverage to 190%. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

11. Staff calculated a 3-year average of annual net additions of \$13,915 to provide for an adequate level of capital surplus. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

12. For the post-project rate increase, Staff recommended a 36.3% across-the-board increase over the Staff-recommended pre-project rates, which will provide the District with a cash flow surplus of \$14,583 and debt service coverage of 126%. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

13. The proposed Service Agreement between the District and the Weston Sanitary Board provides that, for the first 24 months from the date the District begins delivery of wastewater to the Weston Sanitary Board, the Board will charge the District \$1.50 per 1,000 gallons of wastewater. The initial bulk rate is to be adjusted at the conclusion of the term through the use of a formula. Future adjustments are also to be made according to a formula. (See, June 24, 2009 filing).

14. The proposed Usage Agreement between the District and West Virginia-American Water Company provides that West Virginia-American Water Company will charge the District \$0.20 per customer for each billing period and \$0.20 per customer for each final reading when service is discontinued. The agreement automatically renews each July 1st for successive 12-month terms. (See, June 24, 2009 filing).

15. Commission Staff recommended that each agreement be approved subject to certain conditions: (a) the specific terms and conditions not be approved; (b) neither Commission Staff nor the Commission is to be bound by the agreement in future rate cases; and (c) the parties to the agreement must file for approval of any amendments or modifications to the agreement. (See, Second Final Joint Staff Memorandum with attachment filed March 11, 2010).

16. On April 30, 2010, the District filed two (2) affidavits of publication which reflected that the Revised Notice of Filing and Notice of Public Hearing had been published on April 21 and 28, 2010, in The Weston Democrat, a qualified newspaper which is generally circulated in Lewis County, and on April 20 and 27, 2010, the Exponent Telegram, a qualified newspaper which is generally circulated in Harrison County. (See, filing dated April 30, 2010).

17. Two (2) protests were filed to the notice and revised notice. Three (3) members of the public made comment at the hearing. The last day for public protest was on May 26, 2010. (See, filings dated July 7, 2009, and April 27, 2010; Tr. pp. 10-13).

18. The District has filed no written response to Staff's final recommendations. (See, case file generally).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the issuance of a certificate of convenience and necessity to Jane Lew Public Service District to decommission the District's existing wastewater treatment plant, construct collection and transmission facilities to interconnect with the wastewater collection and transmission facilities of the Weston Sanitary Board and connect approximately 300 customers along the new collection and transmission facilities.

2. It is reasonable to approve the financing for the project, which consists of a Small Cities Block Grant in the amount of \$1,500,000; a \$1,500,000 grant from the West Virginia Infrastructure and Jobs Development Council; and a \$3,867,000 loan from the West Virginia Infrastructure and Jobs Development Council for 38 years at 0% interest.

3. The Staff-recommended pre-project rates (Staff-recommended 1), attached hereto as Appendix A, are sufficient, but not more than sufficient, to cover the District's current operation and maintenance expenses, taxes other than income taxes, debt service requirements and routine capital additions. Accordingly, the Staff-recommended 1 rates should be approved for use by the District for all service rendered on and after the date that this Recommended Decision becomes final.

4. The Staff-recommended post-project rates (Staff-recommended 2), attached hereto as Appendix B, are sufficient, but not more than sufficient, to cover the District's operation and maintenance expenses, taxes other than income taxes, debt service requirements and routine capital additions, including the additional expenses and debt service requirements generated by the project certificated herein. Accordingly, the Staff-recommended 2 rates should be approved to become effective for all service rendered by the District on and after the date of substantial completion of the project certificated herein.

5. It is reasonable to approve, subject to certain conditions, the Service Agreement by and between Jane Lew Public Service District and the Weston Sanitary Board which was filed on June 24, 2009.

6. It is reasonable to approve, subject to certain conditions, the Usage Agreement by and between Jane Lew Public Service District and West Virginia-American Water Company which was filed on June 24, 2009.

ORDER

IT IS, THEREFORE, ORDERED that the application filed herein on June 24, 2009, by Jane Lew Public Service District for a certificate of convenience and necessity to decommission an existing wastewater treatment plant and to construct collection and transmission facilities to interconnect with the facilities of the Weston Sanitary Board be, and hereby is, granted.

IT IS FURTHER ORDERED that the financing of the project, consisting of a \$1,500,000 Small Cities Block Grant, a \$1,500,000 grant from the West Virginia Infrastructure and Jobs Development Council and a \$3,867,000 West Virginia Infrastructure loan for 38 years at 0% interest, be, and it hereby is, approved.

IT IS FURTHER ORDERED that the pre-project Staff-recommended increased rates and charges, attached hereto as Appendix A, be, and hereby are, approved for use by Jane Lew Public Service District for all service rendered on and after the date that this Recommended Decision becomes final.

IT IS FURTHER ORDERED that the post-project Staff-recommended increased rates and charges, attached hereto as Appendix B, be, and hereby are, approved for use by Jane Lew Public Service District for all service rendered on and after the date of substantial completion of the project certificated herein.

IT IS FURTHER ORDERED that Jane Lew Public Service District file an original and at least five (5) copies of a revised tariff reflecting the

rates set forth in Appendix A within thirty (30) days of the date that this Recommended Decision becomes a final order of the Commission. Additionally, the District shall file an original and at least five (5) copies of a revised tariff reflecting the rates set forth in Appendix B within thirty (30) days of the date of substantial completion of the project certificated herein.

IT IS FURTHER ORDERED that Jane Lew Public Service District file the certificate of substantial completion from its engineer for the project certificated herein as soon as it becomes available.

IT IS FURTHER ORDERED that Jane Lew Public Service District file a copy of the engineer's certified tabulation of bids for this project within ten (10) days of the bid opening date.

IT IS FURTHER ORDERED that, if there are any changes in the plans, scope or financing of the project, Jane Lew Public Service District obtain Commission approval of such changes prior to commencing construction.

IT IS FURTHER ORDERED that, if there are any changes in project costs which do not affect rates, Jane Lew Public Service District file herein an affidavit duly executed by a certified public accountant verifying that the District's rates and charges are not affected.

IT IS FURTHER ORDERED that, if this project requires the use of Division of Highways' rights-of-way, Jane Lew Public Service District comply with all rules and regulations of the Division of Highways regarding the use of those rights-of-way.

IT IS FURTHER ORDERED that the Service Agreement for the treatment of wastewater between the Jane Lew Public Service District and the Weston Sanitary Board be, and hereby is, approved, subject to the conditions stated in the Final Joint Staff Memorandum filed herein on March 11, 2010, and without specifically approving the terms and conditions thereof.

IT IS FURTHER ORDERED that the Usage Agreement between Jane Lew Public Service District and West Virginia-American Water Company be, and hereby is, approved, subject to the conditions stated in the Final Joint Staff Memorandum filed herein on March 11, 2010, and without specifically approving the terms and conditions thereof.

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

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and by electronic service upon all parties of record who have filed an e-service agreement with the Commission and by United States Certified Mail, return receipt requested, upon all parties of record who have not filed an e-service agreement with the Commission.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions

are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Deborah Yost VanDervort
Deborah Yost VanDervort
Administrative Law Judge

DYV:s:cdk:bam
091043af.wpd

JANE LEW PUBLIC SERVICE DISTRICT
CASE NO. 09-1043-PSD-42T-PC-PW-CN

APPROVED STAFF RECOMMENDED 1

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for general domestic, commercial, industrial and sale for resale service.

RATES (customers with metered water supply)

First	2,000 gallons used per month	\$9.00 per 1,000 gallons
Next	3,000 gallons used per month	\$7.76 per 1,000 gallons
Next	4,000 gallons used per month	\$6.75 per 1,000 gallons
Next	6,000 gallons used per month	\$5.76 per 1,000 gallons
All Over	15,000 gallons used per month	\$5.24 per 1,000 gallons

FLAT RATE CHARGE (customers with non-metered water supply)

Equivalent of 3,500 gallons of water usage, \$29.65 per month

MINIMUM CHARGE

No bill will be rendered for less than \$18.01 per month, which is equivalent of 2,000 gallons of usage with a 5/8" meter.

DELAYED PAYMENT PENALTY

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

TAP FEE

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

A tap fee of \$300.00 will be charged to all customers who apply for service outside of a certificate proceeding before the Commission for each new tap to the system.

DISCONNECT/RECONNECT/ADMINISTRATIVE FEES

Whenever water service has been previously disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with Greater Harrison County PSD, a disconnection fee of \$25.00 shall be charged; or in the event the delinquent sewer bill is collected by the water company, an administrative fee of \$25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in conjunction with a water service termination agreement with Greater Harrison County PSD is reconnected, a reconnection fee of \$25.00 shall be charged.

RETURNED CHECK CHARGE

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

LEAK ADJUSTMENT

\$1.10 per 1,000 gallons is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

MUNICIPAL EXCISE TAX SURCHARGE

The municipality listed below, having imposed a public utility tax computed on the basis of two percent of the revenues from sewer sales by Jane Lew Public Service District sewer utility within the corporate limits of such municipalities, said tax shall be billed as a "surcharge" to the customers receiving service within said corporate limits.

The sewer utility is required to collect the utility tax pursuant to West Virginia Code §8-13-5a.

Customers receiving water service within the corporate limits of the specified municipality shall pay a surcharge based on the following rates:

Town of Jane Lew - 2%

SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE DISTRICT'S SANITARY SYSTEM

APPLICABILITY

Wherever the District has discovered that a customer's roof drain, downspout, storm sewer or similar facility conducting surface water has been connected to the District's sewer system and such a customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the District in accordance with the rules and regulations of the Public Service Commission to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times .006233 \times C$$

S = the surcharge in dollars

A = the area under roof and/or the area of any other water collecting surface connected to the sanitary sewer, in square feet

R = the measured monthly rainfall, in inches

.000623 = a conversion factor to change inches of rain x square feet of surface to thousand of gallons of water

C = \$9.00: the District's approved rate per thousand gallons of metered water usage

The District shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing, or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty days from receipt of such notice to divert the water from the sanitary sewer system. The surcharge shall be calculated and imposed for each month the condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the rules and regulations of the Public Service Commission of West Virginia.

JANE LEW PUBLIC SERVICE DISTRICT
CASE NO. 09-1043-PSD-42T-PC-PW-CN

APPROVED STAFF RECOMMENDED 2

APPLICABILITY

Applicable within the entire territory served

AVAILABILITY OF SERVICE

Available for general domestic, commercial, industrial and sale for resale sewer service

RATES (customers with metered water supply)

First	2,000 gallons used per month	\$12.27 per 1,000 gallons
Next	3,000 gallons used per month	\$10.58 per 1,000 gallons
Next	4,000 gallons used per month	\$ 9.21 per 1,000 gallons
Next	6,000 gallons used per month	\$ 7.85 per 1,000 gallons
All Over	15,000 gallons used per month	\$ 7.14 per 1,000 gallons

FLAT RATE CHARGE (customers with non-metered water supply)

Equivalent of 3,000 gallons of water usage, \$40.42 per month

MINIMUM CHARGE

No bill will be rendered for less than \$24.55 per month, which is the equivalent of 2,000 gallons of usage with a 5/8" meter.

DELAYED PAYMENT PENALTY

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

TAP FEE

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

A tap fee of \$300.00 will be charged to all customers who apply for service outside of a certificate proceeding before the Commission for each new tap to the system.

DISCONNECT/RECONNECT/ADMINISTRATIVE FEES

Whenever water service has been previously disconnected for non-payment of sewer bills in conjunction with a water service termination agreement with Greater Harrison County PSD, a disconnection fee of \$25.00 shall be charged; or in the event the delinquent sewer bill is collected by the water company, an administrative fee of \$25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in conjunction with a water service termination agreement with Greater Harrison County PSD, is reconnected, a reconnection fee of \$25.00 shall be charged.

RETURNED CHECK CHARGE

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

LEAK ADJUSTMENT

\$3.83 per 1,000 gallons of water is to be used when the bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

MUNICIPAL EXCISE TAX SURCHARGE

The municipalities listed below, having imposed a public utility tax computed on the basis of two percent (2%) of the revenues from sewer sales by Jane Lew Public Service District sewer utility within the corporate limits of such municipalities, said tax shall be billed as a "surcharge" to the customers receiving service within said corporate limits.

The sewer utility is required to collect the utility tax pursuant to West Virginia Code §8-13-5a.

Customers receiving sewer service within the corporate limits of the specified municipality shall pay a surcharge based on the following rates:

Town of Jane Lew - 2%

SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE DISTRICT'S SANITARY SYSTEM

APPLICABILITY

Wherever the utility has discovered that a customer's roof drain, downspout, storm sewer or similar facility conducting surface water has been connected to the utility's sewer system and such a customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the District in accordance with the rules and regulations of the Public Service Commission to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times .006233 \times C$$

- S = the surcharge in dollars
- A = the area under roof and/or the area of any other water collecting
- R = the measured monthly rainfall in inches surface connected to the sanitary sewer, in square feet
- .000623 = a conversion factor to change inches of rain x square feet of surface to thousand of gallons of water
- C = \$12.27: the District's approved rate per thousand gallons of metered water usage

The District shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing, or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system. Said surcharge shall be calculated and imposed for each month the condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the rules and regulations of the Public Service Commission of West Virginia.

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA,

COUNTY OF LEWIS, to wit:

I, ROBERT BILLETER, being first duly sworn upon my oath, do depose and say that I am Editor of The Weston Democrat, Inc., a corporation, publisher of the newspaper entitled The Weston Democrat, a Democratic newspaper; that I have been duly authorized by the board of directors of such corporation to execute this affidavit of publication; that such newspaper has been published for more than one year prior to publication of the annexed notice described below; that such newspaper is regularly published weekly; for at least fifty weeks during the calendar year; in the Municipality of Weston, Lewis County, West Virginia; that such newspaper is a newspaper of "general circulation", as that term is defined in article three, chapter fifty-nine of the Code of West Virginia, 1931, as amended, within the publication area or areas of the aforesaid municipality and Lewis County; that such newspaper averages in length four or more pages exclusive of any cover, per issue; that such newspaper is circulated to the general public at a definite price or consideration; that such newspaper is a newspaper to which the

general public resorts for passing events of a political, religious, commercial and social nature, and for the current happenings, announcements, miscellaneous reading matters, advertisements, and other notices; that the annexed notice of filing + notice of public hearing was duly published in said newspaper once a week for two weeks (Class. II), commencing with the issue of the 21st day of April, 2010 and ending with the issue of the 28th day of April, 2010; that said annexed notice was published on the following dates: April 21st + 28th, 2010; and the cost of publishing said annexed notice as aforesaid was \$ 210.21; total number of words: 1001.

Robert Billiter Editor

Taken, subscribed and sworn to before me in my said county this _____ day of _____, 20____.

SECRETARY'S OFFICE
PUBLIC SERVICE COMMISSION
My commission expires October 23, 2019
Notary Public Lewis County, Weston Virginia

2010 APR 30 A 11:27

RECEIVED

LEGAL ADVERTISEMENT **LEGAL ADVERTISEMENT**

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

CASE NO. 09-1043-PSD-42T-PC-PW-CN

JANE LEW PUBLIC SERVICE DISTRICT,
a public utility, Jane Lew, Lewis County,

Application for a general increase to rates and charges, for a certificate of convenience and necessity, and for approval of inter-utility agreements.

REVISED NOTICE OF FILING AND NOTICE OF PUBLIC HEARING

On June 24, 2009, Jane Lew Public Service District (District) filed an application for a certificate of convenience and necessity to construct certain additions and improvements to its sewer system in Lewis County, a tariff containing a request for a 12% increase in rates and charges and for approval of agreements with the City of Weston and the West Virginia American Water Company.

Commission Staff has reviewed the application and has recommended approval of an across-the-board increase of 12% to the District's current sewer rates for pre-project rates and an across-the-board increase of 36% over the Staff recommended pre-project rates to support the project. The present and Staff recommended sewer rates and charges are as follows:

RATES (Per 1,000 gallons used per month)

	Present	Staff Recommended	Staff Recommended
		Pre-Project	Post-Project
First 2,000 gallons	\$ 1.04	\$ 1.16	\$12.27
Next 3,000 gallons	\$ 6.93	\$ 7.70	\$10.58
Next 4,000 gallons	\$ 9.03	\$ 9.75	\$ 9.21
Next 6,000 gallons	\$ 9.14	\$ 9.76	\$ 7.85
All Over 15,000 gallons	\$ 4.68	\$ 5.24	\$ 7.14

FLAT RATE (customers with non-metered water supply) (per month)

	Present	Staff Recommended	Staff Recommended
		Pre-Project	Post-Project
	\$26.48	\$29.65	\$40.42

MINIMUM CHARGE (Per month)

	Present	Staff Recommended	Staff Recommended
		Pre-Project	Post-Project
5/8-inch meter	\$16.08	\$18.01	\$24.55

A public hearing will be held on May 5, 2010 at 11:00 a.m. at Plantation Inn & Suites, Banquet Center, 1322 Hackers Creek Road, Jane Lew, West Virginia.

Anyone desiring to make public comment, present evidence or otherwise protect their interests in this matter may attend the public hearing and will be heard.

Anyone desiring to protest or intervene should file a written protest or notice of intervention within 30 days following the date of this publication unless otherwise modified by Commission order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case, including any associated rate increases, or to participate in future proceedings. All protests or requests to intervene should clearly state the reason for the protest or intervention. Requests to intervene must comply with the Commission's rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P. O. Box 812, Charleston, West Virginia 25323.

PUBLISHER'S CERTIFICATE

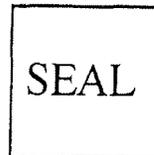
I, SARA V Shingleton, Classified
Manager of THE EXPONENT TELEGRAM, a
newspaper of general circulation published in the City of
Clarksburg, County and state aforesaid, do hereby certify
that the annexed:

REVISED FILING & HEARING

was published in THE EXPONENT-TELEGRAM 2
time(s) commencing on
the 20th day of April 2010 and ending on
the 27th day of April 2010 at the request of
JAMES V. KELSH LAW OFFICE.
Given under my hand this 27th day of April 2010

The publisher's fee for said publication is: \$194.06
for 429 words at \$0.2262 per word per day.

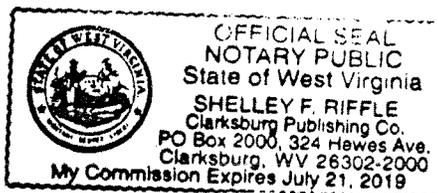
Sara V Shingleton
Classified Manager of The Exponent-Telegram



Subscribed to and sworn to before me this 27th day of
April 2010.

Shelley F. Riffle
Notary Public in and for Harrison County, WV

My commission expires on:
The 21 day of July 2019



**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

CASE NO. 09-1043-PSD-42T-PC-PW-CN
JANE LEW PUBLIC SERVICE DISTRICT,

a public utility, Jane Lew, Lewis County.

Application for a general increase to rates and charges, for a certificate of convenience and necessity, and for approval of inter-utility agreements.

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Commission Staff has reviewed the application and has recommended approval of an across-the-board increase of 12% to the District's current sewer rates for pre-project rates and an across-the-board increase of 36% over the Staff-recommended pre-project rates to support the project. The present and Staff-recommended sewer rates and charges are as follows:

RATES (Per 1,000 gallons used per month)

	<u>Present</u>	Staff Recommended <u>Pre-Project</u>	Staff Recommended <u>Post-Project</u>
First 2,000 gallons	\$ 8.04	\$ 9.00	\$12.27
Next 3,000 gallons	\$ 6.93	\$ 7.76	\$10.58
Next 4,000 gallons	\$ 6.03	\$ 6.75	\$ 9.21
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FLAT RATE (customers with non-metered water supply) (per month)

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	\$26.48	\$29.65	\$40.42

MINIMUM CHARGE (Per month)

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5/8-inch meter	\$16.08	\$18.01	\$24.55

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JANE LEW PUBLIC SERVICE DISTRICT



WEST VIRGINIA

Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

Kenneth Lowe, Jr.
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Louis R. Spatafore
Public Member

Joseph Freeland
Public Member

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Executive Assistant

January 8, 2013

Elaine Flaxer, Chairperson
Jane Lew Public Service District
P.O. Box 845
Jane Lew, West Virginia 26378

Re: Jane Lew Public Service District
Sewer Project 2005S-889
Bid Overrun
Action Required by January 31, 2013

Dear Ms. Flaxer:

At its January 3, 2013 meeting, the West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) voted to approve that the Jane Lew Public Service District receive an additional \$1,300,000 Infrastructure Fund loan (0%, 40 yrs) for the above-named project. The Loan will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference.

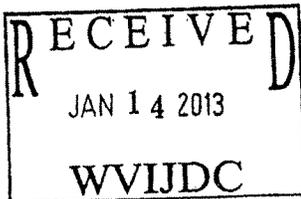
If you have any questions regarding this matter, please contact Jim Ellars at 304-414-6501.

Sincerely,

Kenneth Lowe, Jr.

cc: Kathy Emery, P.E., DEP
Shane Whitehair, Region VII Planning & Development Council
Daniel Ferrell, P.E., Thrasher Engineering, Inc.
Samme Gee, Jackson Kelly PLLC

NOTE: This letter is sent in duplicate. Please acknowledge receipt and immediately return one copy to the Infrastructure Council.



JANE LEW PUBLIC SERVICE DISTRICT

By: Elaine P. Flaxer
Its: Secretary
Date: 01-10-13

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Jane Lew Public Service District
Sewer Project 2005S-889

SCHEDULE A

- A. Approximate Amount: \$1,300,000 Loan
- B. Loan: \$1,300,000
1. Maturity Date: 40 years from date of closing.
 2. Interest Rate: 0%
 3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
 4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.
 5. Special Conditions: None
- C. Other Funding Previously Committed:
- | | |
|------------------------|------------------|
| SCBG | \$1,500,000 |
| LJDC loan (0%, 40 yrs) | 3,867,000 |
| LJDC grant | <u>1,500,000</u> |
- D. Total Project Cost: \$8,167,000
- E. Proposed User Rates: Approximately \$50.98 / 4000 gallons



WEST VIRGINIA

Infrastructure & Jobs Development Council

RECEIVED DEC 18 2008

Gov. Joe Manchin, III
Chairman

December 16, 2008

Kenneth Lowe, Jr.
Public Member

Elaine Flaxer, Chairperson
Jane Lew Public Service District
P.O. Box 845
Jane Lew, WV 26378

Dwight Calhoun
Public Member

David "Bones" McComas
Public Member

Re: Jane Lew Public Service District
2005S-889 Revised Binding Commitment
(Action Required by January 31, 2009)

Ron Justice
Public Member

Barbara J. Pauley
Administrative Secretary

Dear Ms. Flaxer:

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) provides this revised binding offer of an Infrastructure Fund loan of approximately \$3,867,000 (Loan) and an Infrastructure Fund grant of approximately \$1,500,000 (Grant) to the Jane Lew Public Service District (District) for the above referenced sewer project (Project). The Loan and Grant will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan and Grant amounts will be established after the District has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Loan and Grant upon the District's compliance with the program requirements.

This commitment is contingent upon the Project meeting the following schedule:

- a. Submit Plans and Specifications to the Bureau for Public Health no later than April 30, 2009;
- b. File Certificate Case with the Public Service Commission no later than May 31, 2009;
- c. Prepare and submit the Preliminary Title Opinion not later than October 31, 2009;
- d. Advertise for bids no later than December 31, 2009.

(The District must receive authority from the Infrastructure Council before bidding the project.)

The Infrastructure Council reserves the right to withdraw this Loan and Grant commitment if any of the above schedule dates are not met. The Infrastructure Council may, when justifiable circumstances occur, offer to modify the schedule. Any decision to modify the schedule is at the sole discretion of the Infrastructure Council.

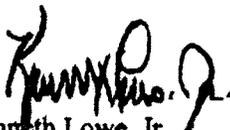
If the District becomes aware that it will not meet one or more of the above schedule dates, the District should immediately notify the Infrastructure Council of this fact and the circumstances which have caused or will cause the District to be unable to meet the schedule. In addition, please immediately notify the Infrastructure Council if any of the other dates on the attached schedule have or will not be met.

The Infrastructure Council, will enter into the Loan and Grant agreements with the District following receipt of the completed Schedule B, a final, nonappealable order from the Public Service Commission authorizing construction of the Project, evidence of binding commitments for other funding; evidence of all permits; evidence of acceptable bids; evidence of compliance with the WV Jobs Act; and any other documents requested by the Infrastructure Council.

No statements or representations made before or after the issuance of this contingent commitment by any person or member of the Infrastructure Council, or agent or employee of the Authority shall be construed as approval to alter or amend this commitment, as all such amendments or alterations shall only be made in writing after approval of the Infrastructure Council.

If the District has any questions regarding this commitment, please contact the Infrastructure Council at the below-referenced telephone number.

Sincerely,


Kenneth Lowe, Jr.

Attachments

cc: Mike Johnson, P.E., DEP (via e-mail)
Debbie Legg, WVDO (via e-mail)
Daniel Ferrell, P.E., Thrasher Engineering, Inc.
Region VII-Planning & Development Council

NOTE: This letter is sent in triplicate. Please acknowledge receipt and immediately return two copies to the Infrastructure Council.

Jane Low Public Service District

By: Nancy E. Hee
Its: General Manager
Date: 12-30-08

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Jane Lew Public Service District
Water Project 2005S-889
December 16, 2008

SCHEDULE A

- A. Approximate Amount: \$ 3,867,000 Loan
- B. Loan: \$ 3,867,000
- 1. Maturity Date: 40 years from date of closing.
 - 2. Interest Rate: 0%
 - 3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
 - 4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.
 - 5. Special Conditions: None
- C. Grant: \$ 1,500,000
- 1. Grant Advancement Date(s): Monthly, upon receipt of proper requisition and after complete advancement of all Loan funding.
 - 2. Special Conditions: None
- NOTICE:** The terms set forth above are subject to change following the receipt of construction bids.
- D. Other Funding: SCBG \$1,500,000
- E. Total Project Cost: \$ 6,867,000

PROJECT SCHEDULE

Project: Jane Lew PSD Phase II Sewer
 County: Lewis
 Project No.: 2005S-889
 Date: December 2008

Funding:
 IJDC Grant \$1,500,000
 IJDC Loan \$3,867,000
 SCBG \$1,500,000

Total Project: \$6,867,000

Engineering Agreement	PSD/Engineer		June 2001
Prepare & Submit Plans & Specs to BPH/DEP	Thrasher	April 2009	May 2009
Plans & Specs Review & Approval	BPH / DEP	April 2009	May 2009
Prepare & Submit All Permit Applications	Thrasher	April 2009	May 2009
Prepare Rule 42	PSD/Project Accountant	March 2009	May 2009
Prepare & Implement Rate Ordinance	NA	NA	NA
File PSC Certificate Case	PSD/Project Attorney	May 2009	May 2009
Review and Approve PSC Certificate (180 or 270 days)	PSC	May 2009	February 2010
Rights-of-way, Easements & Land Acquisition	Jane Lew PSD/Project	May 2009	October 2009
Authority to Advertise for Bids	IJDC	November 2009	November 2009
Advertise for Bids	PSD/Thrasher	December 2009	December 2009
Bid Opening	PSD/Thrasher	January 2010	January 2010
Loan Closing	PSD/Bond Counsel	March 2010	March 2010
Construction	Contractor	March 2010	March 2011

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On the 6th day of May, 2013, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of Jane Lew Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received from the Issuer its Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), issued in the principal amount of \$5,167,000, as a single fully registered Bond, numbered AR-1 and dated May 6, 2013 (the "Series 2013 A Bonds").

2. At the time of such receipt, of the Series 2013 A Bonds had been executed by the Chairman and the Secretary of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Series 2013 A Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2013 A Bonds, of the sum of \$102,468.80, representing the initial advance of principal of the Series 2013 A Bonds.

[Remainder of Page Intentionally Blank]

WITNESS our respective signatures on the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By: Sheila A. Miller
Its: Authorized Representative

JANE LEW PUBLIC SERVICE DISTRICT

By: Oscar Mills
Its: Chairman

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank
as Registrar
Charleston, West Virginia

Ladies and Gentlemen:

Jane Lew Public Service District (the "Issuer") hereby delivers the following to you on this 6th day of May, 2013.

- (1) Bond No. AR-1, constituting the entire original issue of the Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), of the Issuer, in the principal amount of \$5,167,000, dated May 6, 2013 (the "Bonds"), executed by the Chairman and Secretary of the Issuer and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on April 25, 2013 and a Supplemental Resolution duly adopted by the Issuer on April 25, 2013 (collectively, the "Resolution");
- (2) A copy of the Resolution authorizing the above-captioned Bonds, duly certified by the Secretary of the Issuer;
- (3) Executed counterparts of a loan agreement dated May 6, 2013, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Loan Agreement"); and
- (4) An executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of \$102,468.80, representing the initial advance of principal of the Series 2013 A Bonds.

Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Registrar, in accordance with the form of the Certificate of Authentication and Registration thereon.

Dated the day and year first written above.

JANE LEW PUBLIC SERVICE DISTRICT

By: 
Its: Chairman

448300.00004

CH5068591

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
JANE LEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 2013 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$5,167,000

KNOW ALL MEN BY THESE PRESENTS: That JANE LEW PUBLIC SERVICE DISTRICT, that on this 6th day of May, 2013, a public service district, public corporation and political subdivision of the State of West Virginia in Lewis County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of FIVE MILLION ONE HUNDRED SIXTY-SEVEN THOUSAND DOLLARS (\$5,167,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2015, to and including March 1, 2053 as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority on behalf of the Council, dated May 6, 2013.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements and extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on April 25, 2013, and a Supplemental Resolution duly adopted by the Issuer on April 25, 2013 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured

equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY, WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA INFRASTRUCTURE FUND), DATED JULY 19, 2005, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$959,015 (THE "SERIES 2005 A BONDS" OR THE "PRIOR BONDS")

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the Holders of the Prior Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2013 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act, and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2013 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2013 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the Registered Owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the Registered Owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, JANE LEW PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

Oscar Mills
Chairman

ATTEST:

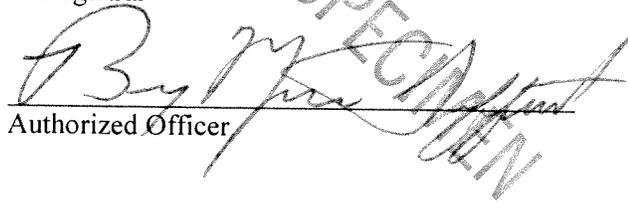
Ernie B. Hester
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2013 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: May 6, 2013.

THE HUNTINGTON NATIONAL BANK,
as Registrar


Authorized Officer

SPECIMEN

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$102,468.80	05/06/2013	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

Bond Debt Service
Jane Lew PSD
IF
\$5,167,000
40 Years from Closing Date
0% Interest Rate

Dated Date 5/6/2013
Delivery
Date 5/6/2013

Period Ending	Principal	Interest	Debt Service
3/1/2015	33,772		33,772
6/1/2015	33,772		33,772
9/1/2015	33,772		33,772
12/1/2015	33,772		33,772
3/1/2016	33,772		33,772
6/1/2016	33,772		33,772
9/1/2016	33,772		33,772
12/1/2016	33,772		33,772
3/1/2017	33,772		33,772
6/1/2017	33,772		33,772
9/1/2017	33,772		33,772
12/1/2017	33,772		33,772
3/1/2018	33,772		33,772
6/1/2018	33,772		33,772
9/1/2018	33,772		33,772
12/1/2018	33,772		33,772
3/1/2019	33,772		33,772
6/1/2019	33,772		33,772
9/1/2019	33,772		33,772
12/1/2019	33,772		33,772
3/1/2020	33,772		33,772
6/1/2020	33,772		33,772
9/1/2020	33,772		33,772
12/1/2020	33,772		33,772
3/1/2021	33,772		33,772
6/1/2021	33,772		33,772
9/1/2021	33,772		33,772
12/1/2021	33,772		33,772
3/1/2022	33,772		33,772
6/1/2022	33,772		33,772
9/1/2022	33,772		33,772
12/1/2022	33,772		33,772
3/1/2023	33,772		33,772
6/1/2023	33,772		33,772
9/1/2023	33,772		33,772
12/1/2023	33,772		33,772
3/1/2024	33,771		33,771
6/1/2024	33,771		33,771
9/1/2024	33,771		33,771
12/1/2024	33,771		33,771
3/1/2025	33,771		33,771
6/1/2025	33,771		33,771
9/1/2025	33,771		33,771

Bond Debt Service

Jane Lew PSD

IF

\$5,167,000

40 Years from Closing Date

0% Interest Rate

Period	Principal	Interest	Debt Service
Ending			
12/1/2025	33,771		33,771
3/1/2026	33,771		33,771
6/1/2026	33,771		33,771
9/1/2026	33,771		33,771
12/1/2026	33,771		33,771
3/1/2027	33,771		33,771
6/1/2027	33,771		33,771
9/1/2027	33,771		33,771
12/1/2027	33,771		33,771
3/1/2028	33,771		33,771
6/1/2028	33,771		33,771
9/1/2028	33,771		33,771
12/1/2028	33,771		33,771
3/1/2029	33,771		33,771
6/1/2029	33,771		33,771
9/1/2029	33,771		33,771
12/1/2029	33,771		33,771
3/1/2030	33,771		33,771
6/1/2030	33,771		33,771
9/1/2030	33,771		33,771
12/1/2030	33,771		33,771
3/1/2031	33,771		33,771
6/1/2031	33,771		33,771
9/1/2031	33,771		33,771
12/1/2031	33,771		33,771
3/1/2032	33,771		33,771
6/1/2032	33,771		33,771
9/1/2032	33,771		33,771
12/1/2032	33,771		33,771
3/1/2033	33,771		33,771
6/1/2033	33,771		33,771
9/1/2033	33,771		33,771
12/1/2033	33,771		33,771
3/1/2034	33,771		33,771
6/1/2034	33,771		33,771
9/1/2034	33,771		33,771
12/1/2034	33,771		33,771
3/1/2035	33,771		33,771
6/1/2035	33,771		33,771
9/1/2035	33,771		33,771
12/1/2035	33,771		33,771
3/1/2036	33,771		33,771
6/1/2036	33,771		33,771
9/1/2036	33,771		33,771
12/1/2036	33,771		33,771
3/1/2037	33,771		33,771
6/1/2037	33,771		33,771

Bond Debt Service
 Jane Lew PSD
 IF
 \$5,167,000
 40 Years from Closing Date
 0% Interest Rate

Period Ending	Principal	Interest	Debt Service
9/1/2037	33,771		33,771
12/1/2037	33,771		33,771
3/1/2038	33,771		33,771
6/1/2038	33,771		33,771
9/1/2038	33,771		33,771
12/1/2038	33,771		33,771
3/1/2039	33,771		33,771
6/1/2039	33,771		33,771
9/1/2039	33,771		33,771
12/1/2039	33,771		33,771
3/1/2040	33,771		33,771
6/1/2040	33,771		33,771
9/1/2040	33,771		33,771
12/1/2040	33,771		33,771
3/1/2041	33,771		33,771
6/1/2041	33,771		33,771
9/1/2041	33,771		33,771
12/1/2041	33,771		33,771
3/1/2042	33,771		33,771
6/1/2042	33,771		33,771
9/1/2042	33,771		33,771
12/1/2042	33,771		33,771
3/1/2043	33,771		33,771
6/1/2043	33,771		33,771
9/1/2043	33,771		33,771
12/1/2043	33,771		33,771
3/1/2044	33,771		33,771
6/1/2044	33,771		33,771
9/1/2044	33,771		33,771
12/1/2044	33,771		33,771
3/1/2045	33,771		33,771
6/1/2045	33,771		33,771
9/1/2045	33,771		33,771
12/1/2045	33,771		33,771
3/1/2046	33,771		33,771
6/1/2046	33,771		33,771
9/1/2046	33,771		33,771
12/1/2046	33,771		33,771
3/1/2047	33,771		33,771
6/1/2047	33,771		33,771
9/1/2047	33,771		33,771
12/1/2047	33,771		33,771
3/1/2048	33,771		33,771
6/1/2048	33,771		33,771
9/1/2048	33,771		33,771
12/1/2048	33,771		33,771
3/1/2049	33,771		33,771

Bond Debt Service
 Jane Lew PSD
 IF
 \$5,167,000
 40 Years from Closing Date
 0% Interest Rate

Period Ending	Principal	Interest	Debt Service
6/1/2049	33,771		33,771
9/1/2049	33,771		33,771
12/1/2049	33,771		33,771
3/1/2050	33,771		33,771
6/1/2050	33,771		33,771
9/1/2050	33,771		33,771
12/1/2050	33,771		33,771
3/1/2051	33,771		33,771
6/1/2051	33,771		33,771
9/1/2051	33,771		33,771
12/1/2051	33,771		33,771
3/1/2052	33,771		33,771
6/1/2052	33,771		33,771
9/1/2052	33,771		33,771
12/1/2052	33,771		33,771
3/1/2053	33,772		33,772
	5,167,000		5,167,000

(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: _____, 20__.

In the presence of:



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

Writer's Contact Information

May 6, 2013

Jane Lew Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

Jane Lew Public Service District
Jane Lew, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure & Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the Jane Lew Public Service District (the "Issuer"), a public service district and political subdivision created and existing under the laws of the State of West Virginia, of its \$5,167,000 Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement dated May 6, 2013, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest with principal installments payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2015, to and including March 1, 2053, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer; and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act and the Bond Resolution duly adopted by the Issuer on April 25, 2013, as supplemented by a Supplemental Resolution duly adopted by the Issuer on April 25, 2013 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been

entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

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

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

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015 (the "Series 2005 A Bonds").

5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia and other taxing bodies of the State; and the interest, if any, on the Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

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

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

Jane Lew Public Service District, et al.
May 6, 2013
Page 3

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

Very truly yours,



STEPTOE & JOHNSON PLLC

448300.00004

101 South Queen Street
Martinsburg, West Virginia 25401

7000 Hampton Center
Morgantown, West Virginia 26505

511 7th Street
Moundsville, West Virginia 26041

501 Avery Street
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May 6, 2013

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Jane Lew Public Service District
Post Office Box 845
Jane Lew, West Virginia 26378

West Virginia Water Development Authority
1009 Buillitt Street
Charleston, West Virginia 25301

West Virginia Infrastructure & Jobs
Development Council
1009 Buillitt Street
Charleston, West Virginia

Steptoe & Johnson PLLC
707 Virginia Street East
Charleston, West Virginia 25301

Re: Opinion on Series 2013 A Bonds of Counsel to Issuer
Jane Lew Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

Ladies and Gentlemen:

We are counsel to Jane Lew Public Service District, a public service district, in Lewis County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, the loan agreement for the Series 2013 A Bonds dated May 6, 2013, including all schedules and exhibits attached thereto (collectively, the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure & Jobs Development Council (the "Council"), the Bond Resolution duly adopted by the Issuer on April 25, 2013, as supplemented by the Supplemental Resolution duly adopted by the Issuer on April 25, 2013 (collectively, the "Bond Legislation"), and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds of the Issuer (collectively, the "Bonds") and orders of The County Commissions of Lewis County relating to the Issuer and the appointment of the members of the Public Service Board of the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

We are of the opinion that:

May 6, 2013

Page 2

1. The Issuer has been duly created and is validly existing as a public service district and public corporation and political subdivision of the State of West Virginia.
2. 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, enforceable in accordance with its terms.
3. The members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed or elected, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.
4. The Bond Legislation has been duly adopted by the Issuer and is in full force and effect.
5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any order, resolution, agreement or other instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, court order or consent decree to which the Issuer is subject.
6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders, certificates and approvals from the West Virginia Infrastructure & Jobs Development Council, The County Commissions of Lewis County, and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges. The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered June 1, 2010, which became a Final Order on June 9, 2010 by Commission Order Waiving Exception Period, and Commission Order entered March 26, 2013 in Case No. 09-1043-PSD-42T-PC-PW-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project, approving the rates and charges for the System and the financing for the Project. The time for appeal of Order has expired prior to the date hereof without any appeal. Such Order in full force and effect.
7. The Issuer has duly published a notice of the acquisition and construction of the Project, the issuance of the Bonds and related matters, as required under Chapter 16, Article 13A, Section 25 of the West Virginia Code of 1931, as amended, and has duly complied with the provisions thereof.

May 6, 2013
Page 3

8. To the best of our knowledge, there is no litigation, action, 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 Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

9. We have ascertained that all successful bidders have provided the drug-free workplace affidavit, submitted their drug-free workplace plan, and the contracts contain language that complies with the Drug-Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. We have also verified that all successful bidders have made required provisions for all insurance and payment and performance bonds and we have reviewed such insurance policies or binders and such bonds for accuracy. We have reviewed the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project and verified that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,



BOWLES RICE

600 Quarrier Street
Charleston, West Virginia 25301

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Martinsburg, West Virginia 25401

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Morgantown, West Virginia 26505

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Winchester, Virginia 22601

Steven R. Hardman
Telephone — (304) 420-5521
Facsimile — (304) 420-5587

May 6, 2013

E-Mail Address:
shardman@bowlesrice.com

West Virginia Infrastructure and Jobs
Development Council
1009 Bullitt Street
Charleston, West Virginia 25301

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, West Virginia 25301

Re: Jane Lew Public Service District
Phase II Sewer Project - Title Opinion
Project Number 2005S-889

Ladies and Gentlemen:

This firm represents Jane Lew Public Service District (the "District") with regard to a proposed project to construct a sewerage collection system (the "Project"), and provides this title opinion on behalf of the District to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council (the "Council") with regard to the Infrastructure Fund financing proposed for the Project. Please be advised of the following:

1. That we are of the opinion that the District is a duly created and existing public service district possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia and through its Public Service Board has the full power and authority to construct, operate and maintain the Project as approved by the Bureau for Public Health.
2. That the District has obtained approval for necessary permits and approvals for the construction of the Project, copies of which have been previously submitted.
3. That we have investigated and ascertained the location of and am familiar with the legal description of the necessary sites, including easements and/or rights of way, required for the Project as set forth in the plans for the Consulting Engineers for the Project.
4. That we have examined the records on file in the Office of the Clerk of the County Commission of Lewis County, West Virginia, and records on file in the Office of the Clerk of the County Commission of Harrison County, West Virginia, the counties in which the Project is to be located, and, in my opinion, the District has acquired legal title or such other estate or interest

May 6, 2013
Page 2

in the necessary site components for the Project sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facilities to be constructed.

5. The following listed properties are to be acquired by eminent domain and the necessary filings have been made in the Office of the Clerk of the Circuit Court of Lewis County, West Virginia, to permit the Issuer a right-of-entry for the purpose of construction, operation and maintenance of the Project on the subject properties. The Issuer's title thereto is defeasible in the event the Issuer does not satisfy any resulting judgment and/or award in the proceedings for acquisition of said properties, and our certification is subject to the following pending litigation: See Exhibit A, attached hereto.

6. That any deeds or other documents which have been acquired to date by the District have been duly recorded in the aforesaid Clerk's Office in order to protect the legal title to and interest of the District.

Sincerely,

BOWLES RICE LLP

Bowles Rice LLP

SRH/dpw

Enclosures

cc: Samme L. Gee
Nancy Gee
Doug Forni, P.E.

JANE LEW PUBLIC SERVICE DISTRICT
EMINENT DOMAIN PROPERTIES

NAME	MAP/PARCEL	DISTRICT
Carl V. Ratliff	7C/72	Freeman's Creek
William H. Turner	8C/6.4	Hacker's Creek
Janice L. Oldaker	8C/6.2	Hacker's Creek
Ruth E. Turner	8C/2	Hacker's Creek
Sherry Strother/Craig Sturm	3/11.1	Freeman's Creek
Charles C. & Margaret A. Kniceley	7B/9.2	Hacker's Creek
Stanley F. & Linda L. Williams	7C/18.14	Hacker's Creek
Joshua V. and Marsha Taylor Garton	7C/67, 1/68, 1/72, 1/73, 1/75, 1/76, 1/59, & 1/62	Freeman's Creek

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Jane Lew Public Service District in Lewis County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify this 6th day of May, 2013 in connection with the Issuer's Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund) dated the date hereof (the "Bonds" or the "Series 2013 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Resolution of the Issuer duly adopted April 25, 2013, and a Supplemental Resolution of the Issuer duly adopted April 25, 2013 (collectively, the "Bond Legislation"), when used herein.

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

any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the pledge or application of moneys and security or the collection of the Gross Revenues or the pledge of Net Revenues as security for the Bonds.

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

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

The Issuer has Outstanding its Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015 (the "Series 2005 A Bonds" or the "Prior Bonds").

The Series 2013 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects.

The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2013 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolutions.

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, supplemented or changed in any way unless modification appears from later documents also listed below:

Bond Resolution

Supplemental Resolution

Loan Agreement for Series 2013 A Bonds

Public Service Commission Orders

Infrastructure and Jobs Development Council Approval

County Commission Orders Creating and Enlarging District

County Commission Orders Appointing Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Minutes of Current Year Organizational Meeting and on Adoption of Bond Resolution and Supplemental Resolution

NPDES Permit

Prior Bonds Resolution

Consent of West Virginia Water Development Authority

Evidence of Insurance

Evidence of Small Cities Block Grant

West Virginia Infrastructure & Jobs Development Council Grant Agreement

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Jane Lew Public Service District." The Issuer is a public service district and public corporation duly created by The County Commissions of Lewis 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 Public Service Board consisting of 3 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
Elaine Flaxer	June 18, 2012	06/30/2018
Thomas Bailey	July 12, 2010	06/30/2016
Oscar Mills	July 1, 2008	06/30/2014

The names of the duly elected and/or appointed, qualified and acting officers of the Public Service Board of the Issuer for the calendar year 2013 are as follows:

Chairman	-	Oscar Mills
Secretary/Treasurer	-	Elaine Flaxer

The duly appointed and acting counsel to the Issuer is Bowles Rice LLP, Charleston, West Virginia.

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

8. **MEETINGS, ETC.:** All actions, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, 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, without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body was present and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

9. **CONTRACTORS' INSURANCE, ETC.:** All contractors have been required to maintain Workers' Compensation, public liability and property damage insurance, and builder's risk insurance where applicable in accordance with the Bond Legislation and the Loan Agreement. The successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code. All insurance for the System required by the Bond Legislation and the Loan Agreement is in full force and effect.

10. **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 all covenants, terms and representations in the Loan Agreement.

The Issuer will serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer will not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority (the "Authority"). Following completion of the Project the Issuer will certify to the Authority the number of customers added to the System.

11. INSURANCE: The Issuer will maintain or, as appropriate, will require all contractors to maintain workers' compensation, public liability, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Bond Legislation and the Loan Agreement. All insurance for the System required by the Bond Legislation and the Loan Agreement are in full force and effect.

12. VERIFICATION OF SCHEDULE: The final Schedule B attached to the Certificate of Consulting Engineer, accurately represents the estimated costs of the Project, the sources of funds available to pay the Costs of the Project and the costs of financing of the Bonds.

13. RATES: The Issuer has received the Commission Order of the Public Service Commission of West Virginia dated march 26, 2013, in Case No. 09-1043-PSD-42T-PC-PW-CN, among other things, approving the rates and charges for the services of the System. The time for appeal of Order has expired prior to the date hereof without any appeal. Such Order is in full force and effect.

14. PUBLIC SERVICE COMMISSION ORDERS: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered June 1, 2010, which became a Final Order on June 9, 2010 by Commission Order Waiving Exception Period dated June 4, 2010, and Commission Order dated March 26, 2013 in Case No. 09-1043-PSD-42T-PC-PW-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project, approving the rates and charges for the System and the financing for the Project. The time for appeal of Order has expired prior to the date hereof without any appeal. Such Order in full force and effect.

15. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, numbered AR-1, dated the date hereof, by his or her manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon the Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of

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

16. BOND PROCEEDS: On the date hereof, the Issuer received \$102,468.80 from the Council and the Authority, being a portion of the principal amount of the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

17. PUBLICATION OF NOTICE OF PSC FILING: The Issuer has published the required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, and filing of a formal application for a certificate of public convenience and necessity with the Public Service Commission of West Virginia, in accordance with Chapter 16, Article 13A, Section 25 of the West Virginia Code of 1931, as amended.

18. SPECIMEN BONDS: Delivered concurrently herewith is a true and accurate specimen of the Bonds.

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

20. GRANTS: The West Virginia Infrastructure & Jobs Development Council grant in the amount of \$1,500,000 and the Small Cities Block Grant in the amount of \$1,500,000, are hereby fully committed.

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

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

WITNESS our signatures and the official seal of JANE LEW PUBLIC SERVICE DISTRICT the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Oscar Miller

Chairman

Clara S. Johnson

Secretary

Counsel to Issuer

WITNESS our signatures and the official seal of JANE LEW PUBLIC SERVICE DISTRICT the day and year first written above.

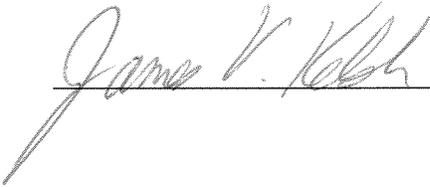
[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Chairman

Secretary



Counsel to Issuer

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Daniel E. Ferrell, Registered Professional Engineer, West Virginia License No. 013462, of Thrasher Engineering, Inc., Clarksburg, West Virginia, hereby certifies this 6th day of May, 2013:

1. My firm is engineer for the acquisition and construction of certain improvements and extensions (the "Project") to the existing public sewerage facilities (the "System") of Jane Lew Public Service District (the "Issuer") to be constructed primarily in Lewis County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on April 25, 2013, as supplemented by the Supplemental Resolution adopted by the Issuer on April 25, 2013, and the loan agreement for the Series 2013 A Bonds by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated May 6, 2013 (the "Loan Agreement").

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

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Authority and the Council, and any change orders approved by the Issuer, the Council, the Authority, and all necessary governmental bodies; (ii) the schematic design for the Project began before July 1, 2012; (iii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least forty (40) years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iv) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and the Issuer's counsel, Bowles Rice LLP, has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (v) the successful bidders received any and all addenda to the original bid documents; (vi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vii) the bid documents relating to the Project reflect the Project as approved by the Council and the bid forms provided to the bidders contain all critical operational

components of the Project; (viii) the successful bids include prices for every item on such bid forms; (ix) the uniform bid procedures were followed; (x) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and the operation of the System; (xi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the Authority and the Council; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

4. The Project has been designed to, and the construction contracts provide for, sewer service for up to 313 new customers in the Westfield and Lightburn areas.

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WITNESS my signature and seal on this day and year first written above.

THRASHER ENGINEERING, INC.





Daniel E. Ferrell, P. E.
West Virginia License No. 013462

SCHEDULE B
JANE LEW PSD SEWER PROJECT
 IJDC Project #2005S-889

4/24/2013

A. Cost of Project	Total	IJDC LOAN (0%, 40 yrs)	IJDC GRANT	SCBG
1. Construction	6,075,000.00	4,556,152.00	1,045,068.00	473,780.00
2. Technical Services				
a. Preliminary Engineering	25,000.00	12,500.00	0.00	12,500.00
b. Basic Engineering	393,000.00	0.00	0.00	393,000.00
c. Engineering During Construction	130,110.00	0.00	0.00	130,110.00
d. Inspection	280,400.00	280,400.00	0.00	0.00
e. Special Services	262,363.00	62,363.00	0.00	200,000.00
3. Legal	133,500.00	73,500.00	0.00	60,000.00
4. Accounting	37,195.00	31,585.00	0.00	5,610.00
5. Sites and Other Lands	135,000.00	50,000.00	0.00	85,000.00
6. Administration (Region VII)	100,000.00	0.00	0.00	100,000.00
7. Right-of-Way Agent (Morgan Haymond)	40,000.00	0.00	0.00	40,000.00
8. Permits	15,000.00	15,000.00	0.00	0.00
9. Electrical	60,000.00	60,000.00	0.00	0.00
10. Contingency (1) 7.5%	454,932.00	0.00	454,932.00	0.00
11. Total of Lines 1 through 10	8,141,500.00	5,141,500.00	1,500,000.00	1,500,000.00
B. Cost of Financing				
12. Reserves	0.00	0.00	0.00	0.00
13 Bond Counsel	25,000.00	25,000.00	0.00	0.00
14 Bank Registrar Fee	500.00	500.00	0.00	0.00
15 Total Cost of Financing (line 12 thru 14)	25,500.00	25,500.00	0.00	0.00
16 TOTAL PROJECT COST (lineS 11 + 15)	8,167,000.00	5,167,000.00	1,500,000.00	1,500,000.00
C. Sources of Funds				
17 Federal Grants (SCBG)	1,500,000.00	0.00	0.00	1,500,000.00
18 State Grants (IJDC)	1,500,000.00	0.00	1,500,000.00	0.00
19 Other Grants	0.00	0.00	0.00	0.00
20 TOTAL GRANTS	3,000,000.00	0.00	1,500,000.00	1,500,000.00
21 Size of Bond Issue	5,167,000.00	5,167,000.00	0.00	0.00

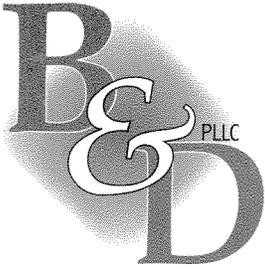
Osam Mulla
 JANE LEW PUBLIC SERVICE DISTRICT

4-25-2013
 Date

W/E 2
 THRASHER ENGINEERING, INC.

4/30/2013
 Date

(1) 26 condemnations



Bennett & Dobbins PLLC

CERTIFIED PUBLIC ACCOUNTANTS

317 Cleveland Avenue
Fairmont, WV 26554-1604
Telephone: (304) 366-4295 Fax: (304) 366-4311

GARY K. BENNETT, MBA-CPA
ZACHARY D. DOBBINS, CPA

May 6, 2013

Jane Lew Public Service District
Sewer Revenue Bonds, Series 2013A
(West Virginia Infrastructure Fund)

Jane Lew Public Service District
Jane Lew, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the Commission Order of the Public Service Commission of West Virginia dated March 26, 2013 in Case No. 09-1043-PSD-42T-PC-PW-CN and the current operation and maintenance expenses and customer usage as furnished to us by Jane Lew Public Service District (the "Issuer"), it is my opinion that such rates and charges will be sufficient to provide revenues which, together, with other revenues of the sewerage system (the "System") of the Issuer, will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Issuer's Sewer Revenue Bonds, Series 2013A (West Virginia Infrastructure Fund), dated May 6, 2013, issued in the aggregate principal amount of \$5,167,000 (the "Series 2013 A Bonds"), and all other obligations secured by a lien on or payable from the revenues of the System, on a parity with the Series 2013 A Bonds, including the Issuer's Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015 (the "Prior Bonds").

It is further my opinion that the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of actual issuance of the Series 2013 A Bonds, plus estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by the Series 2013 A Bonds, if any, are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for the principal of and interest, if any, on the Series 2013 A Bonds and the Prior Bonds.

Very truly yours,

Bennett & Dobbins PLLC

BENNETT & DOBBINS PLLC

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Chairman of the Public Service Board of Jane Lew Public Service District in Lewis County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of the \$5,167,000 Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), of the Issuer, dated May 6, 2013 (the "Bonds"), hereby certifies this 6th day of May, 2013 as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Resolution duly adopted by the Issuer on April 25, 2013 supplemented by Supplemental Resolution duly adopted by the Issuer on April 25, 2013 (collectively, the "Bond Resolution"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on May 6, 2013, the date on which the Bonds are being physically delivered in exchange for an initial advance of the principal amount of the Series 2013 A Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

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

5. The Series 2013 A Bonds were sold on May 6, 2013, to the Authority, pursuant to a Loan Agreement dated May 6, 2013, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of \$5,167,000 (100% of par), at which time, the Issuer received \$102,468.80 from the Authority and the Council, being the first advance of the principal amount of the Series 2013 A Bonds. No accrued interest has been or will be paid on the Series 2013 A Bonds. The balance of the principal amount of the Series 2013 A Bonds will be advanced to the Issuer as the Project progresses.

6. The Series 2013 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion. 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 December 1, 2014. The acquisition and construction of the Project is expected to be completed by June 1, 2014.

8. The total cost of the Project is estimated at \$8,167,000. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2013 A Bonds	\$5,167,000
Infrastructure Fund Grant	1,500,000
Small Cities Block Grant	1,500,000
Total Sources	<u>\$8,167,000</u>

USES

Costs of the Acquisition and Construction of the Project	\$8,141,500
Costs of Issuance	<u>25,500</u>
Total Uses	<u>\$8,167,000</u>

9. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued relative to the Series 2013 A Bonds:

- (1) Revenue Fund (established by the Prior Resolutions);
- (2) Renewal and Replacement Fund (established by the Prior Resolutions);
- (3) Series 2013 A Bonds Construction Trust Fund;
- (4) Series 2013 A Bonds Sinking Fund; and
- (5) Series 2013 A Bonds Reserve Account.

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

(1) Series 2013 A Bond proceeds in the amount of \$-0- will be deposited in the Series 2013 A Bonds Sinking Fund as capitalized interest.

(2) Series 2013 A Bond proceeds in the amount of \$-0- will be deposited in the Series 2013 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2013 A Bonds will be deposited in the Series 2013 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of Costs of the Project, including costs of issuance of the Series 2013 A Bonds and related costs.

11. Monies held in the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2013 A Bonds and will not be available to meet Costs of the Project. All investment earnings on monies in the Series 2013 A Bonds Sinking Fund and Series 2013 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2013 A Bonds Construction Trust Fund during the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

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

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

14. With the exception of the amount deposited in the Series 2013 A Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2013 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 18 months from the date of issuance thereof.

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

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

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

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

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

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

21. The Bonds are not federally guaranteed.

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

23. The Issuer has either (a) funded the Series 2013 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due, on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2013 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2013 A Bonds Reserve Account holds an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Monies in the Series 2013 A Bonds Reserve Account and the Series 2013 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay Costs of the Project.

24. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Series 2013 A Bonds, (b) are to be sold pursuant to a common plan of financing together with the Series 2013 A Bonds and (c) will be paid out of substantially the same sources of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Bonds.

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

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

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

[Remainder of Page Intentionally Blank]

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

JANE LEW PUBLIC SERVICE DISTRICT

By: *Oscar Mills*
Its: Chairman

SESSION HELD FRIDAY, SEPTEMBER 26th, 1958

19

The Johnson-Walton Co. Dwyer, Ohio - Charleston, W. Va. - 1951

IN RE: CREATION OF A PUBLIC SERVICE DISTRICT UNDER THE AUTHORITY OF CHAPTER NO. 147 OF THE ACTS OF THE LEGISLATURE, 1953, REGULAR SESSION AS AMENDED

This matter came on again to be heard this 26th day of August, 1958, upon a petition heretofore presented to this Court on the 5th day of August, 1958, petitioning this Court for the establishment of a public service district under the authority of Chapter No. 147, of the Acts of the Legislature, 1953, Regular Session; upon the finding by this Court that said petition was signed by more than one hundred (100) legal voters resident within and owning real property within the limits of such proposed public service district and upon the entry of an order herein setting this matter for hearing this day, but requiring that a notice first be published by the Clerk of this Court, at least once, in a newspaper of general circulation, published within this County, at least ten days prior to this date.

And it appearing to the Court that notice has been duly published in the Weston Independent, a newspaper published in Lewis County, West Virginia, at least once, ten days prior to the date that this Court would, on the 26th day of August, 1958, at 10:00 o'clock A. M. in the County Courthouse in Weston, Lewis County, West Virginia, proceed to take evidence on the proposal to establish the Jane Lew Water Commission and to hear such persons resident within, or owning or having any interest in property, in such proposed public service district, who cared to be heard, for or against the creation of such public service district.

And thereupon, this Court proceeded to hear the evidence of all interested parties for and against the creation of such public service district.

And this Court, after hearing the evidence offered before it, does find and determine that the construction or acquisition, by purchase or otherwise, and maintenance, operation, improvement and extension of public service properties by a public service district to comprise Hackers Creek Magisterial District, as is situate in the Town of Jane Lew and its adjacent and outlying areas, in Lewis County, West Virginia, is feasible and will be conducive to the preservation of the public health, comfort and convenience of students and pupils attending the public schools of the County located within this such area and of the persons residing within such area.

And it further appearing that written protest signed by thirty per cent (30%) or more of the qualified voters registered and residing within said district, has not been filed and this Court, finding no reason against the establishment of a public service district as petitioned for,

IT IS, THEREFORE, ORDERED, that there shall be, and there is, hereby created a public service district to be known as "JANE LEW WATER COMMISSION, a corporation", which shall have existence from this date, and be possessed of all of the rights, powers, duties and obligations granted to and imposed upon it, by the laws of the State of West Virginia, the territorial limits of which shall embrace the territorial limits of the Town of Jane Lew and its adjacent and outlying areas within Hackers Creek Magisterial District of Lewis County, West Virginia, and the powers, duties of such Jane Lew Water Commission shall be vested in and exercised by a public service board.

IT IS FURTHER ORDERED, That the persons named hereafter are hereby appointed as members of the Public Service Board of The Jane Lew Water Commission, who shall serve for the period of time indicated opposite their names and until they resign or the expiration of their respective terms of office and/or thereafter until their successors

ORDERS } Board of Commissioners, Lewis County

SESSION HELD

FRIDAY, SEPTEMBER 26TH, 1958

19

have been appointed as follows:

- For a period of two years DOLPH MUSSER, CHAIRMAN
- For a period of four years J. CARSON WHITE
- For a period of six years HARRY MCWHORTER
- For a period of eight years RUDOLPH KAUFER
- For a period of ten years JOHN G. FUNK

But before entering upon his duties as such member of the Board as aforesaid, each of the aforesaid members shall meet at the Office of the Clerk of this Court as soon as practicable hereafter and shall qualify by taking the required oath of office.

If is further ordered that the term of office of each of the members appointed as aforesaid, shall begin as of the first day of August, 1958.

ORDERED, that this Court doth now adjourn until Friday, October 3rd, 1958.

Hazel L. Bennett, President.

State of West Virginia,
County of Lewis, To-Wit:

I, Mary Lou Myers, Clerk of the County Commission of Lewis County, in the State of West Virginia, and as such Clerk having the care and custody of the records of GENERAL ORDERS of said County, do hereby certify that the foregoing is a true and accurate copy OF THE ORDER OF CREATION OF A PUBLIC SERVICE DISTRICT FOR JANE LEW

as the same appears of record in my office in GENERAL ORDER Book 33, Page 104 & 105

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Commission, at the City of Weston, in said County and State, this 28th day of September, 20 04.

Mary Lou Myers
Clerk of the County Commission of Lewis County, West Virginia by;dw

SESSION HELD

FRIDAY, NOVEMBER 13, 1959.

19

Court sat pursuant to adjournment of Friday, November 6, 1959.

PRESENT: The same Court.

The proceedings of this Court on Friday were approved and signed by the President.

IN RE: CORRECTION JANE LEW WATER COMMISSION ORDER ENTERED
SEPTEMBER 26, 1958

This day came the Jane Lew Water Commission, a Public Service District of Lewis County, West Virginia, by its Chairman, Rudolph Kafer and its Counsel, Louis G. Craig, and asked the Court to correct the records of said order creating said Public Service District of said session of this Court held on the 26th day of September, 1958, wherein said order recited said meeting was held on the 26th day of August, 1958 and said notice having been presented on the 5th day of August, 1958.

And it appearing to the Court that said order did incorrectly state the said date of August 26, and August 5th, and that said dates to be in error, it is therefore accordingly ordered that said records be, and said records are hereby corrected by this order to declare said matter was approved on the 26th day of September, 1958 and said petition having been filed herewith on the 5th day of September, 1958.

State of West Virginia,
County of Lewis, Co-Wit:

I, Mary Lou Myers, Clerk of the County Commission of Lewis County, in the State of West Virginia, and as such Clerk having the care and custody of the records of General Orders of said County, do hereby certify that the foregoing is a true and accurate copy of the Correction of the Jane Lew Water Commission Order entered September 26, 1958

as the same appears of record in my office in General Order Book 33, Page 458.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Commission, at the City of Weston, in said County and State, this 28th day of September, 20 04.

Mary Lou Myers
Clerk of the County Commission of Lewis County, West Virginia By: DW

State of West Virginia,
County of Lewis, To-Wit:

I, Mary Lou Myers, Clerk of the County Commission of Lewis County, in the State of West Virginia, and as such Clerk having the care and custody of the records of Miscellaneous Records of said County, do hereby certify that the foregoing is a true and accurate copy of the Order approving boundary expansion of the Jane Lew Water Commission District

as the same appears of record in my office in Miscellaneous Record Book
11, Page 259.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Commission, at the City of Weston, in said County and State, this 28th day of September, 20 04.

Mary Lou Myers

Clerk of the County Commission of
Lewis County, West Virginia

By: sms

ORDER APPROVING BOUNDARY EXPANSION
OF THE JANE LEW WATER COMMISSION DISTRICT

A public hearing was held this date, March 19, 2001, 10:00 a.m. prevailing time, at the Lewis County Courthouse, in the Lewis County Commission Office pursuant to WV Code 16-13A-2 for the purpose of public input concerning a proposed boundary extension which would allow the Jane Lew Water Commission, PSD to provide public water service to Sycamore Lick, Berlin Road and Jesse's Run areas of Lewis County. (See attached metes and bounds and Class I legal advertisement.)

No one appeared to speak against the proposed boundary extension. Those present at the hearing in addition to the Lewis County Commission were: Elaine Flaxer and Vernon Lohr representing the Jane Lew Water Commission Board, Larry Wilson, General Manager of the Jane Lew Water Commission, PSD, Tracey Weber III, Attorney for the Jane Lew Water Commission, PSD, Randy Watson of Thrasher Engineering and Frances Carroll, a resident of Jesse's Run.

A question concerning the boundaries of the West Fork River PSD was addressed as follows: The West Fork River PSD was created March 16, 1979, by the Lewis County Commission as a countywide public service district. It became inactive in February 1993, after selling their lines to West Virginia American-Water Company with the Public Service Commission's approval. WFRPSD has remained inactive since that time with no employees and serves no customers. It's boundaries do not infringe upon any other PSD or entity's boundaries since WFRPSD's boundaries are countywide excluding the boundaries of the following: Jane Lew PSD, West Virginia-American Water Company and the Weston Sanitary Board.

Therefore, the County Commission considered and determined the feasibility of the proposed boundary expansion and found said expansion to be conducive to the preservation of public health, comfort and convenience of the area. With no opposition to the proposed boundary expansion of the Jane Lew Water Commission PSD, the Lewis County Commission upon a motion made by Robert J. Conley with motion being duly seconded by Thomas V. Fealy, the Lewis County Commission voted unanimously to approve the aforementioned boundary expansion to the Jane Lew Water Commission PSD which is consistent with the attached metes and bounds which would, in turn, decrease the West Fork River PSD boundary accordingly.

Samuel U. Hicks
Samuel U. Hicks, President

3-19-01
Date

Thomas V. Fealy
Thomas V. Fealy, Commissioner

3-19-01
Date

Robert J. Conley
Robert J. Conley, Commissioner

3-19-01
Date

Attest: Mary Lou Myers
Mary Lou Myers, County Clerk

3-19-01
Date



**Jane Lew Public Service District
Proposed 2001 Boundary Extension
Lewis County, West Virginia**

The proposed extended geographical boundaries for the Jane Lew Public Service District are as follows:

“Beginning at point O along the Harrison-Lewis County border at the Lewis County Route 3 running southeast 105 degrees (azimuth), a distance of 25,050 feet, to point A at the intersection of the Harrison, Lewis, and Upshur County borders. From point A running southwest 185 degrees along the Lewis-Upshur County border, a distance of 10,500 feet, to point B. From point B running northwest 310 degrees, a distance of 2,250 feet, to point C. From point C running southwest 227 degrees, a distance of 2,300 feet, to point D. From point D running southwest 268 degrees, a distance of 2,100 feet, to point E. From Point E running southwest 266 degrees, a distance of 2,550 feet, to point F. From point F running northwest 285 degrees, a distance of 1,200 feet, to point G. From point G running northwest 323 degrees, a distance of 2,550 feet, to point H. From point H running northwest 271 degrees, a distance of 1,200 feet, to point I. From point I running northeast 3 degrees, a distance of 1,250 feet, to point J. From point J running northwest 297 degrees, a distance of 2,250 feet, to point K. From point K running northwest 355 degrees, a distance of 1,950 feet, to point L. From point L running northwest 301 degrees, a distance of 900 feet, to point M. From point M running southwest 241 degrees, a distance of 2,550 feet, to point N. From point N running northwest 281 degrees, a distance of 1,550 feet, to point O. From point O running northwest 314 degrees, a distance of 1,875 feet, to point P. From point P running southwest 229 degrees, a distance of 900 feet, to point Q. From point Q running southwest 268 degrees, a distance of 1,650 feet, to point R. From point R running southwest 251 degrees, a distance of 2,475 feet, to point S crossing the intersection of Lewis County Route 7 and Lewis County Route 14 “Lifes Run Road” and stopping at bank of Hackers Creek. From point S running northwest along Hackers Creek water edge to the intersection between Hackers Creek and I-79, a distance of 5,250 feet to point T. From point T running northwest 285 degrees, a distance of 3,900 feet, to point U. From point U running northeast 3 degrees, a distance of 450 feet, to point V on the existing Jane Lew PSD border. From point V running northwest 280 degrees, running along existing Jane Lew PSD boundary and crossing US Route 19, a distance of 2,700 feet, to point W. From point W running southwest 224 degrees, a distance of 3,300 feet, to point X. From point X running southwest 228 degrees, a distance of 2,700 feet, to point Y. From point Y running southwest 266 degrees, a distance of 1,875 feet, to point Z. From point Z running northwest 237 degrees, a distance of 2,250 feet, to point AA. From point AA running northwest 278 degrees, a distance of 2,850 feet, to point AB. From point AB running northwest 353 degrees, a distance of 4,500 feet, to point AC. From point AC running northeast 40 degrees, running along the banks of the West Fork River, a distance of 4,950 feet, to point AD. From point AD running southeast 113 degrees, a distance of 4,200 feet, to point AE. From point AE running northeast 83

degrees, a distance of 1,350 feet, to point AF. From point AF running northeast 6 degrees crossing Lewis County Route 8, a distance of 1,275 feet, to point AG. From point AG running northwest 333 degrees, a distance of 2,700 feet, to point AH. From point AH running northeast 15 degrees, a distance 4,500 feet, to point AI on the Lewis-Harrison County Boarder. From point AI running southeast 105 degrees along the existing boundary on the Lewis-Harrison County border and crossing over I-79, a distance of 11,500 feet back to the beginning."

LEGAL ADVERTISEMENT

NOTICE OF PUBLIC HEARING

On February 20, 2001, the Lewis County Commission entered an Order Proposed Boundary Expansion of the Jane Lew Water Commission District which would permit the Jane Lew Water Commission PSD to provide public water service to Sicamore Lick, Berlin Road, and Jesse's Run area of Lewis County. The proposed boundary expansion to be consistent with the metes and bounds as follows:

Jane Lew Public Service District Proposed 2001 Boundary Extension Lewis County, West Virginia

The proposed extended geographical boundaries for the Jane Lew Public Service District are as follows:

Beginning at point A along the Harrison-Lewis County border at the Lewis County Route 3 running southeast 105 degrees (azimuth), a distance of 25,050 feet to point A at the intersection of the Harrison-Lewis and Upshur County borders. From point A running southwest 165 degrees along the Lewis-Upshur County border, a distance of 10,500 feet, to point B. From point B running northwest 310 degrees, a distance of 2,250 feet, to point C. From point C running southwest 227 degrees, a distance of 2,300 feet, to point D. From point D running southwest 268 degrees, a distance of 2,100 feet, to point E. From point E running southwest 268 degrees, a distance of 2,550 feet, to point F. From point F running northwest 285 degrees, a distance of 1,200 feet, to point G. From point G running northwest 323 degrees, a distance of 2,250 feet, to point H. From point H running northwest 271 degrees, a distance of 1,200 feet, to point I. From point I running northeast 3 degrees, a distance of 1,250 feet, to point J. From point J running northwest 297 degrees, a distance of 2,250 feet, to point K. From point K running northwest 355 degrees, a distance of 1,350 feet, to point L. From point L running northwest 301 degrees, a distance of 300 feet, to point M. From point M running southwest 241 degrees, a distance of 2,550 feet, to point N. From point N running northwest 281 degrees, a distance of 3,550 feet, to point O. From point O running northwest 344 degrees, a distance of 1,875 feet, to point P. From point P running southwest 229 degrees, a distance of 900 feet, to point Q. From point Q running southwest 268 degrees, a distance of 1,650 feet, to point R. From point R running southwest 251 degrees, a distance of 2,475 feet, to point S crossing the intersection of Lewis County Route 7 and Lewis County Route 34 "Lites Run Road" and stopping at bank of Hackers Creek. From point S running northwest along

The Weston Democrat - Wednesday, February 28, 2001—3D

Hackers Creek water edge to the intersection between Hackers Creek and I-79, a distance of 5,250 feet to point T. From point T running northwest 285 degrees, a distance of 3,300 feet, to point U. From point U running northeast 30 degrees, a distance of 450 feet, to point V on the existing Jane Lew PSD border. From point V running northwest 280 degrees, running along existing Jane Lew PSD boundary and crossing US Route 19, a distance of 2,700 feet, to point W. From point W running southwest 224 degrees, a distance of 3,300 feet, to point X. From point X running southwest 228 degrees, a distance of 2,700 feet, to point Y. From point Y running southwest 268 degrees, a distance of 1,875 feet, to point Z. From point Z running northwest 237 degrees, a distance of 2,250 feet, to point AA. From point AA running southwest 278 degrees, a distance of 2,650 feet, to point AB. From point AB running northwest 353 degrees, a distance of 4,500 feet, to point AC. From point AC running northeast 40 degrees, running along the banks of the West Fork River, a distance of 4,950 feet, to point AD. From point AD running southeast 113 degrees, a distance of 4,200 feet, to point AE. From point AE running northeast 83 degrees, a distance of 1,350 feet, to point AF. From point AF running northeast 6 degrees, crossing Lewis County Route 8, a distance of 1,275 feet, to point AG. From point AG running northwest 333 degrees, a distance of 2,700 feet, to point AH. From point AH running northeast 15 degrees, a distance 4,500 feet, to point AI on the Lewis-Harrison County Boarder. From point AI running southeast 105 degrees along the existing boundary on the Lewis-Harrison County border and crossing over I-79, a distance of 11,500 feet back to the beginning."

Pursuant to WV Code § 16-13A-2, the Lewis County Commission has scheduled a public hearing on the proposed boundary expansion on Monday, March 19, 2001, to be held at the Lewis County Courthouse in the County Commission Office at 10:00 a.m. Anyone wishing to protest the proposed expansion must appear in person at the hearing.

The Plat for said Boundary Expansion is of record in the office of the County Clerk in File Folder A-495.

STATE OF WEST VIRGINIA, CLERK'S OFFICE, COUNTY COMMISSION, LEWIS COUNTY, March 19, 2001

The foregoing Order together with the certificate thereto annexed was this day presented in said office and admitted to record.

ATTEST: Mary Ann Myers, CLERK

ORDERS --- BOARD OF COMMISSIONERS, LEWIS COUNTY

REGULAR
SESSION HELD: MONDAY, JULY 15, 2002

IN RE: FINAL ORDER RECEIVED FROM PSC
FOR BOUNDARY CHANGE

By notice received from the PSC of Charleston to the Lewis County Commission, it is, therefore, ordered that the Order of the Lewis County Commission of October 22, 2001, to decrease the boundaries of the West Fork PSD to accomodate the increase in the Jane Lew Water Commission PSD boundaries to provide water extension to the affected area, be, and the same hereby is approved.

State of West Virginia,
County of Lewis, To-Wit:

I, Mary Lou Myers, Clerk of the County Commission of Lewis County, in the State of West Virginia, and as such Clerk having the care and custody of the records of GENERAL ORDERS of said County, do hereby certify that the foregoing is a true and accurate copy OF THE FINAL ORDER FOR BOUNDARY CHANGE FOR WEST FORK PSD AND JANE LEW WATER COMMISSION PSD

as the same appears of record in my office in GENERAL ORDER Book 57, Page 462.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Commission, at the City of Weston, in said County and State, this 28th day of September, 20 04.

Mary Lou Myers
Clerk of the County Commission of by: DW
Lewis County, West Virginia

RESOLUTION OF THE BOARD OF THE
JANE LEW WATER COMMISSION PUBLIC SERVICE DISTRICT
CHANGING THE NAME OF THE DISTRICT TO THE
JANE LEW PUBLIC SERVICE DISTRICT

WHEREAS, the Jane Lew Water Commission Public Service District ("District") is a properly created public service district, entitled to execute all the powers of a public service district, pursuant to West Virginia Code Chapter 16, Article 13A;

WHEREAS, the Board of the District is authorized to change the official or corporate name of the District by resolution prior to the issuance of bonds by the District pursuant to West Virginia Code §16-13A-4(f):

WHEREAS, the District has yet to issue any bonds;

WHEREAS, the Board of the District believes it would be advantageous to change the name of the District to the Jane Lew Public Service District, and to create and designate two separate divisions thereto, a water division and a wastewater division, to clarify the services performed by the District;

WHEREAS, West Virginia Code §16-13A-4(f) provides that a change in the name of a public service district becomes effective upon the filing of an authenticated copy of the resolution changing a district's name with the clerk of the county commission and with the Public Service Commission;

NOW, THEREFORE, the Board of the Jane Lew Water Commission Public Service District hereby resolves that the official and corporate name of the District is hereby changed to the Jane Lew Public Service District, which shall include both a water and wastewater division. The Secretary of the District shall cause authenticated copies of this Resolution to be filed with the Clerk of the County Commission of Lewis County and the Public Service Commission of West Virginia.

RECORDED 6-27
FEB 24 10 54 AM '03

Oscar R. Mills
Oscar R. Mills - Chairman

Vernon W. Lohr
Vernon W. Lohr - Vice Chairman

Elaine B. Flaxer
Elaine B. Flaxer - Secretary

Adopted this 13th day of February, 2003.

[SEAL]



ATTEST: *Elaine B. Flaxer*
Elaine B. Flaxer - Secretary

Date: February 13, 2003

STATE OF WEST VIRGINIA, CLERK'S OFFICE,
COUNTY COMMISSION, LEWIS COUNTY.

February 24th, 2003

The foregoing Resolution District Change together with the certificate thereto annexed was this day presented in said office and admitted to record.

ATTEST: *Mary Lou Myers*, CLERK

State of West Virginia,
County of Lewis, To-Wit:

I, Mary Lou Myers, Clerk of the County Commission of Lewis County, in the State of West Virginia, and as such Clerk having the care and custody of the records of Certificates of Incorporation of said County, do hereby certify that the foregoing is a true and accurate copy of the Resolution of the Board of the Jane Lew Water Commission Public Service District changing the name of the District to the Jane Lew Public Service District

as the same appears of record in my office in Certificate of Incorp. Book 9, Page 51.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Commission, at the City of Weston, in said County and State, this 28th day of September, 20 04.

Mary Lou Myers
Clerk of the County Commission of
Lewis County, West Virginia

By: sms

FILE COPY

JAMES V. KELSH, ESQ.

300 Summers St., Ste. 1230
P.O. Box 3713
Charleston, WV 25337-3713
kelshlaw@yahoo.com

Telephone
(304) 343-1654

Facsimile
(304) 343-1657

February 21, 2003

Ms. Sandra Squire
Executive Secretary
Public Service Commission
of West Virginia
201 Brooks Street
Post Office Box 812
Charleston, West Virginia 25323

Re: Notice of Change of Name of Jane Lew
Water Commission Public Service District
to Jane Lew Public Service District

Dear Ms. Squire:

The purpose of this letter is to inform the Commission, consistent with West Virginia Code §16-13A-4(f) that the Board of the Jane Lew Water Commission Public Service District at its meeting on February 13, 2003, adopted the attached authenticated original Resolution changing its name from the Jane Lew Water Commission Public Service District to the Jane Lew Public Service District. Simultaneously with the mailing of this letter to you, the District is sending a letter to the Clerk of the Lewis County Commission informing it of the name change. Pursuant to West Virginia Code §16-13A-4(f), this change of name becomes effective upon the filing of an authenticated copy of this Resolution with the Lewis County Commission and the Public Service Commission of West Virginia. For your information, a copy of the letter to the Lewis County Commission is attached.

Please stamp the extra copy of this letter as received and place it in my box for retrieval. Thank you for your assistance.

Very truly yours,


James V. Kelsh
(WV State Bar No. 6617)

JVK/nal
Enclosure
cc: Larry Wilson
(janelewsquire.ltr)

RESOLUTION OF THE BOARD OF THE
JANE LEW WATER COMMISSION PUBLIC SERVICE DISTRICT
CHANGING THE NAME OF THE DISTRICT TO THE
JANE LEW PUBLIC SERVICE DISTRICT

WHEREAS, the Jane Lew Water Commission Public Service District ("District") is a properly created public service district, entitled to execute all the powers of a public service district pursuant to West Virginia Code Chapter 16, Article 13A;

WHEREAS, the Board of the District is authorized to change the official or corporate name of the District by resolution prior to the issuance of bonds by the District pursuant to West Virginia Code §16-13A-4(f);

WHEREAS, the District has yet to issue any bonds;

WHEREAS, the Board of the District believes it would be advantageous to change the name of the District to the Jane Lew Public Service District, and to create and designate two separate divisions thereto, a water division and a wastewater division, to clarify the services performed by the District;

WHEREAS, West Virginia Code §16-13A-4(f) provides that a change in the name of a public service district becomes effective upon the filing of an authenticated copy of the resolution changing a district's name with the clerk of the county commission and with the Public Service Commission;

NOW, THEREFORE, the Board of the Jane Lew Water Commission Public Service District hereby resolves that the official and corporate name of the District is hereby changed to the Jane Lew Public Service District, which shall include both a water and wastewater division. The Secretary of the District shall cause authenticated copies of this Resolution to be filed with the Clerk of the County Commission of Lewis County and the Public Service Commission of West Virginia.

Oscar R. Mills
Oscar R. Mills - Chairman

Vernon W. Lohr
Vernon W. Lohr - Vice Chairman

Elaine B. Flaxer
Elaine B. Flaxer - Secretary

Adopted this 13th day of February, 2003.

[SEAL]

ATTEST: *Elaine B. Flaxer*
Elaine B. Flaxer - Secretary

Date: February 13, 2003

COPY

JAMES V. KELSH, ESQ.

300 Summers St., Ste. 1230

P.O. Box 3713

Charleston, WV 25337-3713

kelshlaw@yahoo.com

Telephone
(304) 343-1654

Facsimile
(304) 343-1657

February 21, 2003

Mary Lou Myers
Lewis County Commission
Post Office Box 466
Weston, West Virginia 26452

Re: Change of name of Jane Lew Water
Commission Public Service District to
the Jane Lew Public Service District

Dear Ms. Myers:

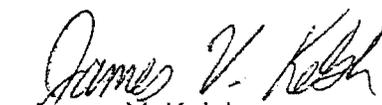
The purpose of this letter is to inform the Lewis County Commission that the Board of the Jane Lew Water Commission Public Service District, at its meeting of February 13, 2003, adopted the attached authenticated original Resolution changing its name from the Jane Lew Water Commission Public Service District to the Jane Lew Public Service District. Pursuant to West Virginia Code §16-13A-4(f), this change of name becomes effective upon the filing of an authenticated copy of this Resolution with the Lewis County Commission and the Public Service Commission of West Virginia. For your information, I attach a copy of the letter which was sent to the Public Service Commission simultaneously with the mailing of this letter.

Please file, record, and index this Resolution in the appropriate record book.

Please stamp the extra copy of this letter as received by your office and return it to me in the enclosed stamped, self-addressed envelope. Thank you for your assistance.

Please do not hesitate to contact me if you have any questions.

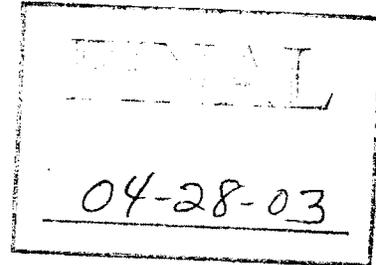
Very truly yours,


James V. Kelsh
(WV State Bar No. 6617)

JVK/nal
Enclosure
cc: Larry Wilson
(janelew@lewis.com.tr)

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: April 8, 2003



CASE NO. 03-0269-PWD-NC

JANE LEW PUBLIC SERVICE DISTRICT
Application for name change from
Jane Lew Water Commission Public
Service District to Jane Lew
Public Service District.

RECOMMENDED DECISION

On February 21, 2003, Jane Lew Water Commission Public Service District (District) filed a letter informing the Commission that, consistent with the provisions of West Virginia Code §16-13A-4(f) and at a meeting of its Board, the District adopted a Resolution changing its name from Jane Lew Water Commission Public Service District to "Jane Lew Public Service District". An authenticated original Resolution was attached to the letter. Also attached to the letter was a copy of a letter sent to the Clerk of the County Commission of Lewis County informing the Commission of the name change and requesting that a copy of the Resolution, attached thereto, be recorded and indexed in the appropriate record book. The letter concluded by stating that, pursuant to West Virginia Code §16-13A-4(f), the change of name became effective upon the filing of an authenticated copy of the Resolution with the Lewis County Commission and the West Virginia Public Service Commission. The Commission's Executive Secretary's Office proceeded to file and designate the District's letter as an application for Commission approval of a name change and assigned a formal case number to the filing.

On February 27, 2003, counsel for the District, James V. Kelch, Esquire, filed a letter stating his desire to clarify the District's February 21, 2003 filing. Mr. Kelsh stated that the territory of the former Jane Lew Water Commission Public Service District was not changed by the Resolution which was included with the letter filed on February 21, 2003. The letter filed on February 21, 2003, was intended as a change of name filing, pursuant to West Virginia Code §16-13A-4(f), not a change in the territory or a merger of the District pursuant to West Virginia Code §16-13A-2.

West Virginia Code §16-13A-4(f) provides, in relevant part, that "[a]t any time prior to the issuance of bonds as hereinafter provided, the board [of the public service district] may by resolution change the official or corporate name of the public service district and the change is effective from the filing of an authenticated copy of such resolution with the clerk of the county commission of each county in which the territory embraced within such district or any part thereof is located

and with the Public Service Commission." Because the District had complied with this statute by filing authenticated originals of its Resolution with both the Clerk of the County Commission of Lewis County and with the Public Service Commission, Mr. Kelsh opined that the change of name was then effective. Mr. Kelsh concluded by stating that the February 21, 2003 letter was, exclusively, for the purpose of complying with West Virginia Code §16-13A-4(f) and was not intended to initiate a new case. Since the name change had already become effective, there was no purpose for Commission review of the information filed on February 21, 2003. In Mr. Kelsh's words, it was a fait accompli and the Public Service Commission has no more jurisdiction to open a case to review the change of name of a public service district than does the Clerk of the County Commission. Accordingly, it was requested that the Commission dismiss this formal proceeding.

On March 18, 2003, Staff Attorney Cecelia Gail Jarrell filed an Initial and Final Joint Staff Memorandum. An Initial and Final Internal Memorandum, dated March 10, 2003, from Karen L. Buckley, Utilities Analyst II, Water and Wastewater Division, was attached thereto. Ms. Buckley initially noted that, since the District, according to its Resolution, wanted to create a water division and a wastewater division, the case number of this case should be changed to 03-0269-PSWD-PC. Ms. Buckley stated that the District's current Annual Report revealed that it has not issued any bonds and has no long-term debt. Since the District had followed the provisions of West Virginia Code §16-13A-4(f), Ms. Buckley recommended that the change of name of Jane Lew Water Commission Public Service District to "Jane Lew Public Service District" be approved.

Staff Attorney Jarrell stated that Commission Legal Staff disagreed with Mr. Kelsh's assertion that Public Service Commission approval is not required for the subject name change. Ms. Jarrell asserted that Rules 31¹ and 34² of the Commission's Rules for the Construction and Filing of Tariffs (Tariff Rules) contemplated that an application would be filed with the Public Service Commission by a public service district seeking Commission consent and approval of any change in its name. Based upon all of the foregoing, Commission Legal Staff also recommended that the

¹RULE 31. In case of change of ownership or control of a utility, or when a utility or a part of its business is transferred from the operating control of one company to that of another, or when its name is changed, the company which will thereafter operate the utility business must use the rates, classifications and rules and regulations of the former operating company, (unless authorized to change by the Commission).

²RULE 34. Within thirty (30) days after the Commission approves an application filed pursuant to Rule [31], said utility shall issue and file in its own name the tariff of the predecessor utility then in effect and adopted by it, or such other tariff as it proposes to put into effect in lieu thereof, as prescribed in Rules 1 through 13 hereof with proper identifying designation. (Example: P.S.C. W.Va. No. 1 cancels P.S.C. W.Va. No. 1 of [insert predecessor utility]).

Commission approve the change in the name of Jane Lew Water Commission Public Service District to "Jane Lew Public Service District".

On March 25, 2003, Mr. Kelsh filed a letter in response to Commission Staff's Initial and Final Joint Staff Memorandum. Mr. Kelsh noted that, above all else, the District did not wish to do anything which would delay this proceeding since it is expecting to issue bonds or incur debt sometime in the near future in connection with a proposed project and wished to change its name before doing so. The District would seek the Commission's approval before incurring debt or issuing bonds. Mr. Kelsh explained that, in this instance, it was the District's position that Tariff Rules 31 and 34 were in conflict with West Virginia Code §16-13A-4(f) and that, according to the principles of statutory construction, the statute superseded the Tariff Rules thereby negating the need for Commission approval of the District's name change. However, Mr. Kelsh concluded by stating that the District could live with an order which approved its change of name even though it believed the more appropriate action by the Commission would be to dismiss this proceeding for lack of jurisdiction.

By Order dated March 27, 2003, the Commission referred this matter to the Division of Administrative Law Judges for further disposition, with a decision due date of April 25, 2003.

Upon consideration of all of the above, the undersigned is of the opinion the counsel for the District is correct and that the District is not required to obtain Public Service Commission approval of the name change, pursuant to the terms of West Virginia Code §16-13A-4(f). Since the Legislature has given the boards of public service districts the authority to change the name of a district prior to debt being issued, with the change of name effective upon the filing of an authenticated copy of the resolution changing the name with the affected county commissions and the West Virginia Public Service Commission, the Public Service Commission cannot, by rule, attempt to generate jurisdiction for itself where there is none. Further, the undersigned is of the opinion that the Staff Attorney has misconstrued Tariff Rules 31 and 34. Neither Rule requires Commission approval of a change in name. The two Rules require only 1) that a utility whose name or ownership has changed continue to operate under the previously existing rates and charges, until different rates and charges are approved by Commission order, and 2) the filing of an appropriate tariff under the new name of the utility within a certain period of time. There is no language in either of those Rules which operates to provide the Commission with the authority or jurisdiction to rule upon the appropriateness of the name change itself. Accordingly, this proceeding will be dismissed and Jane Lew Public Service District will be directed to file a revised tariff containing its new name.

FINDING OF FACT

On February 21, 2003, Jane Lew Water Commission Public Service District filed a letter informing the Commission that, consistent with the provisions of West Virginia Code §16-13A-4(f) and at a meeting of its Board held on February 13, 2003, the District had adopted a Resolution

changing its name from Jane Lew Water Commission Public Service District to "Jane Lew Public Service District". Accompanying the letter was an authenticated copy of the Resolution effectuating the name change. The Commission's Executive Secretary's Office proceeded to file and designate the District's letter as an application for Commission approval of a name change and assigned a formal case number to the filing. (See, February 21, and 27, 2003 filings).

CONCLUSIONS OF LAW

1. Pursuant to the provisions of West Virginia Code §16-13A-4(f), at any time prior to the issuance of bonds, a public service district board may change the official or corporate name of that district by resolution and the change is effective from the filing of an authenticated copy of that resolution with the clerk of the county commission of each county containing territory embraced by that district and with the Public Service Commission. There is no provision in Article 13A of Chapter 16 of the West Virginia Code which requires Public Service Commission approval of the name change.

2. Tariff Rules 31 and 34 do not operate to provide the Public Service Commission with authority to approve or disapprove a proposed name change for a public service district; rather, those two Tariff Rules simply require a utility whose name or ownership has changed to continue to use the previously existing rates and charges unless authorized by the Commission to change those rates and requires the filing of a revised tariff containing the new name within a certain period of time.

3. It is reasonable to dismiss this proceeding from the Commission's docket of open cases as being unnecessary and to require Jane Lew Public Service District to file a revised tariff under its new name within thirty days of date that this Order becomes final.

ORDER

IT IS, THEREFORE, ORDERED that, within thirty (30) days of the date that this Order becomes final, Jane Lew Public Service District shall file with the Commission's Tariff Office an original and no less than five (5) copies of a proper tariff adopting the tariff of Jane Lew Water Commission Public Service District as its own and reflecting the name change.

IT IS FURTHER ORDERED that the instant proceeding be, and it hereby is, dismissed, as being unnecessary, and removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the style of this case be changed to reflect the correct name of the District.

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

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

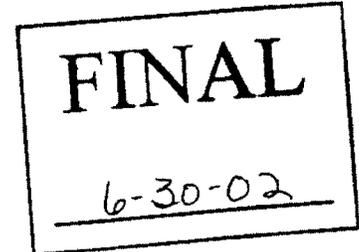


Melissa K. Marland
Chief Administrative Law Judge

MKM/JPC:dfs
030269a.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: June 10, 2002



CASE NO. 01-1607-PWD-PC

LEWIS COUNTY COMMISSION

Petition for consent and approval to decrease the boundary of West Fork River Public Service District and to increase the boundary of Jane Lew Water Commission Public Service District to accommodate water extensions to the area.

RECOMMENDED DECISION

In an Order dated September 12, 2001, the Order of the Lewis County Commission filed March 23, 2001, in Case No. 01-0402-PWD-PC, to expand the boundaries of the Jane Lew Water Commission Public Service District, was approved to become effective on and after the date that the Lewis County Commission either decreased the territory of the West Fork River Public Service District to accommodate the enlargement of the Jane Lew Water Commission Public Service District's boundaries or dissolved the West Fork River Public Service District.

On November 28, 2001, the Lewis County Commission filed an Order decreasing the boundary of the West Fork River Public Service District to accommodate the increase of the Jane Lew Water Commission Public Service District's boundary to provide water extensions to the affected area, pursuant to West Virginia Code §16-13A-2. The County Commission's Order addresses only water service.

On December 4, 2001, Staff Attorney Cassius H. Toon filed an Initial and Final Joint Staff Memorandum, to which was attached the Initial and Final Internal Memorandum prepared by Mr. Scott McNeely, Utility Analyst, Water and Wastewater Division, and Mr. David W. Holley, Technical Analyst-In-Training II, Engineering Division. Since the Lewis County Commission has sufficiently satisfied the requirements set forth in West Virginia Code §16-13A-2, Staff recommended approval of the Order to reduce the boundaries of the West Fork River Public Service District and recommended that the changes be approved subject to the statutorily required hearing.

By Order dated December 11, 2001, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before June 26, 2002.

On December 19, 2001, Staff Attorney Toon filed a Further Joint Staff Memorandum, to which was attached the Further and Final Internal Memorandum, prepared by Mr. McNeely and Mr. Holley. Staff explained that, in Case No. 01-0402-PWD-PC the Commission approved the increase to the Jane Lew Water Commission Public Service District's boundaries, conditioned upon the Lewis County Commission decreasing the West Fork River Public Service District's boundaries to accommodate that change. The West Fork River Public Service District became inactive in February 1993. The West Fork River Public Service District involves the operation of sewer service also. The Commission Order in Case No. 01-0402-PWD-PC discussed an alternative to the Lewis County Commission decreasing the West Fork River Public Service District's boundary, which was to dissolve the District altogether. Staff has changed its original recommendation and now feels that it is in the best interest of the public to dissolve the West Fork River Public Service District, since it has no employees and provides no water or sewer service. In addition, the Jane Lew Water Commission Public Service District may be expanded to provide sewer service to other areas of the County.

By Order dated January 10, 2002, in light of Staff's recommendation, the Lewis County Commission was directed to advise the Commission, by January 27, 2002, if it wished to go forward with the Lewis County Commission's original Order in this case or if it would take the Staff-recommended action to dissolve the West Fork River Public Service District by enacting a new County Commission Order.

In a letter filed January 17, 2002, the Lewis County Commission advised that it did not wish to dissolve the West Fork River Public Service District but would go forward with the original Order in this case, which would decrease the boundary of the West Fork River Public Service District.

By Order dated February 22, 2002, this matter was set for a hearing to be held in Weston City Building, Council Chambers, Weston, West Virginia, on March 15, 2002. Said Order provided that the Lewis County Commission give notice of the hearing to be held on March 15, 2002, by publishing a copy of a Notice of Hearing, once, in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Lewis County.

The hearing was held as scheduled. The Lewis County Commission was present by its president, Mr. Sam Hicks, and board members, Ms. Shelia Lewis, Mr. Tom Fealy and Mr. Bob Conley. Commission Staff was represented by Staff Attorney Cassius H. Toon. The County Commission presented at the hearing an affidavit of publication of the Notice of Hearing reflecting that publication had been made in accordance with the Commission's requirements. (Tr. p. 3).

EVIDENCE PRESENTED

Mr. Scott McNeely, Utilities Analyst, Water and Wastewater Division, identified for the record Staff Exhibit No. 1, a Further Final Internal Memorandum. Staff recommends that the West Fork River Public Service District be dissolved rather than reduced in size. There is presently in existence the Jane Lew Water Public Service District and another public service district that provides sewer service. Mr. McNeely indicated that, in the event any other water service in the County is needed, these Districts could be expanded. Staff believes that the retention of another district would cause duplication in bookkeeping and make it more expensive to comply with the new federal requirements and the Safe Drinking Water Act. It would be difficult to maintain the federal standards with two districts rather than one district. (See, Tr., pp. 7-8).

Mr. Sam Hicks, the President of the Lewis County Commission, responded that the Lewis County Commission has no objection to the extension of the Jane Lew Water Public Service District to cover that territory which heretofore has been the territory of the West Fork River Public Service District, to the extent necessary for the Jane Lew Public Service District to make its utility extensions. Mr. Hicks commented that the Staff recommendation to abolish, rescind and dissolve the West Fork River Public Service District is not needed. The Lewis County Commission believes that there may develop, in the southern end of Lewis County, a need for water service and the only way to get the water will be to buy it and extend lines from a public service district in southern Upshur County. To provide for this eventuality, the Lewis County Commission feels that it is in the best interest of the people of Lewis County to keep the West Fork River Public Service District on the books, although it is currently inactive. If it becomes necessary to further extend the Jane Lew Public Service District system, the Lewis County Commission could further reduce the West Fork River Public Service District area or territory. Mr. Hicks did not see that the existence of the West Fork River Public Service District is creating any problem in bookkeeping or administration. The West Fork River Public Service District has been totally inoperative for a long time. (Tr., pp. 10-11).

No one appeared in protest to the petition of the Lewis County Commission. (Tr., p. 11). No further evidence was submitted in the case and it was submitted for a decision. No briefs were filed in the case by either party.

DISCUSSION

In 2001, the Lewis County Commission proposed the expansion of the boundaries of the Jane Lew Water Commission Public Service District. At that time, Staff recommended approval and, after the hearing was held and no protest was received, the Order was approved to become effective on and after the date that the Lewis County Commission either decreased the territory of the West Fork River Public Service District to accommodate the enlargement of the Jane Lew Water Commission Public Service District or dissolved the West Fork River Public Service District. Staff has since changed its recommendation and recommended that the West Fork River

Public Service District be dissolved, since it has been inactive for a number of years. The Lewis County Commission elected not to dissolve the West Fork River Public Service District, but to proceed with its petition to decrease the boundaries of the West Fork River Public Service District, to accommodate the increase in the Jane Lew Water Commission Public Service District to provide water extensions in the affected area.

At the hearing, Staff presented its recommendation to dissolve the West Fork River Public Service District, since it has been inactive for eight years. Staff cited duplication of bookkeeping and difficulty in compliance with federal standards as reasons for the dissolution. However, it did not explain how the existence of this district generated either of the cited problems. (Tr. pp. 7-8).

Mr. Sam Hicks, President of the Lewis County Commission explained that the reason that the Lewis County Commission desires to keep the inactive district on the books is that, on the southern end of the county, the Lewis County Commission foresees that there may arise a need to buy water from a public service district in southern Upshur County. If this eventuality occurs, the Lewis County Commission could use the West Fork River Public Service District to acquire this water. (Tr. pp. 10-11).

Since West Virginia Code §16-13A-2 gives county commissions the authority to create, enlarge, reduce, merge, dissolve and/or consolidate public service districts, the Administrative Law Judge believes that, in the absence of a showing that the existence of the West Fork River Public Service District violates a law, rule or regulation, the desires of the Lewis County Commission should be honored and the County Commission Order in this case approved in order to allow it to meet the requirements of the Commission's Order of September 12, 2001. This is particularly true since the County Commission Order of November 28, 2001, was passed specifically to comply with the requirements of the Public Service Commission's Order of September 12, 2001.

FINDINGS OF FACT

1. On November 28, 2001, the Lewis County Commission filed an Order decreasing the boundaries of the West Fork River Public Service District, to accommodate an increase in the Jane Lew Water Commission Public Service District's boundaries to provide water extensions to the affected area. (See, petition filed November 28, 2001).

2. By Public Service Commission Order entered September 12, 2001, the expansion of the Jane Lew Water Commission Public Service District's boundaries was approved to become effective on and after the date that the Lewis County Commission either decreased the territory of the West Fork River Public Service District to accommodate the enlargement of the Jane Lew Water Commission Public Service District or dissolved the West Fork River Public Service District. (See Order dated September 12, 2001).

3. Staff recommended that the Lewis County Commission dissolve the West Fork River Public Service District since it has no employees and

provides no water or sewer service. (See Further Joint Staff Memorandum filed December 19, 2001).

4. The Lewis County Commission elected to proceed with its original petition rather than adopt Staff's recommendation of dissolution of the West Fork River Public Service District. (See letter filed January 17, 2002).

5. At a hearing held on the County Commission's petition, Mr. Sam Hicks, President of the Lewis County Commission, explained that the Lewis County Commission believes that it is in the best interest of the citizens of Lewis County to retain the West Fork River Public Service District, in the event it is necessary for a Lewis County district to purchase water service from an Upshur County utility to serve the southern end of Lewis County. (Tr., pp. 10-11).

6. No one appeared in protest to the petition at the hearing held in this matter on March 15, 2002. (Tr., p. 11).

CONCLUSIONS OF LAW

1. Since the Order of the Lewis County Commission filed on November 28, 2001, decreases the West Fork River Public Service District, this will satisfy the conditions set forth in the Public Service Commission Order of September 12, 2001, which required the Lewis County Commission to either decrease the territory of the West Fork River Public Service District to accommodate the enlargement of the Jane Lew Water Commission Public Service District boundaries or dissolve the West Fork River Public Service District.

2. It is reasonable to allow the West Fork River Public Service District to continue to exist since the Lewis County Commission sees a potential need to use this District to obtain water from a public service district in southern Upshur County and its existence does not appear to violate any law, rules or regulations of the Commission.

ORDER

IT IS, THEREFORE, ORDERED that the Order of the Lewis County Commission of October 22, 2001, to decrease the boundaries of the West Fork River Public Service District to accommodate the increase in the Jane Lew Water Commission Public Service District boundaries to provide water extensions to the affected area, be, and the same hereby is, approved.

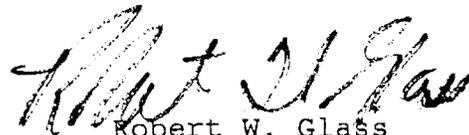
The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions

are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.



Robert W. Glass
Administrative Law Judge

RWG:jas:mal
011607ab.wpd

ORDERS --- BOARD OF COMMISSIONERS, LEWIS COUNTY

REGULAR
SESSION HELD: MONDAY, AUGUST 14, 2000

IN RE: ELAINE FLAXER - APPOINTMENT TO PSD

Upon motion of Samuel U. Hicks, second by Thomas V. Fealy, vote unanimous to appoint Elaine Flaxer to the Public Service District (PSD) Board, term ending July 31, 2006.

64 / - 605 :

**ORDERS --- BOARD OF COMMISSIONERS, LEWIS COUNTY
REGULAR
SESSION HELD: MONDAY, JULY 12, 2010**

IN RE: CIVIL WAR TRAIL MARKER

Rebecca Jordan Gleason spoke to Commission regarding the placing of Civil War Markers to celebrate the Civil War happenings of Lewis County during the Sesquicentennial Celebration. Mrs. Gleason requested permission to install a marker on the Court House/Arnold Edwards Building property line. A temporary Easement/Entry Agreement was approved upon motion of Patrick D. Boyle, second by Agnes G. Queen, motion passing.

IN RE: CROSSWALK ON HACKERS CREEK ROAD BETWEEN JANE LEW
TRUCK STOP AND JANE LEW RESTAURANT

The Jane Lew Truck Stop requested a crosswalk on Hackers Creek Road between the Truck Stop and the Restaurant with markings on the road or signs making drivers aware of people crossing. Commission having no jurisdiction or authority of the crosswalk, directed the administrator to prepare a letter requesting the Department of Highways to explore the need for a crosswalk as requested by the Jane Lew Truck Stop.

IN RE: REAPPOINTMENT OF THOMAS BAILEY AS MEMBER
JANE LEW PSD BOARD

A letter of request from the Jane Lew Public Service District for the reappointment of Thomas Bailey as a member of the Jane Lew PSD Board for another term. The request was approved upon motion of Patrick D. Boyle, second by Agnes G. Queen, motion passing, to the reappointment of Thomas Bailey for another term on the PSD Board beginning on July 1, 2010 and ending on July 1, 2016. Mr. Bailey appeared at a later time the same day and took the Oath of Office as administered by Mary Lou Myers, Clerk.

IN RE: GARY G. HALL, OATH OF OFFICE AS LEWIS COUNTY FIRE BOARD MEMBER

Gary G. Hall having been appointed another term to the Lewis County Fire board appeared and took the Oath of Office as prescribed by law. Mr. Hall's term is for three years.

IN RE: APPROVAL OF LEAVE REQUEST

The following leave request was approved upon motion of Patrick D. Boyle, second by Agnes G. Queen, motion passing.

JEFFREY D. HYRE July 20,26,27, Three Days Annual Leave

4/- 612 -

**ORDERS --- BOARD OF COMMISSIONERS, LEWIS COUNTY
REGULAR
SESSION: MONDAY, JUNE 4, 2012**

IN RE: NANCY COLBURN, OATH OF OFFICE

Nancy Colburn having previously being approved as a member of the Louis Bennett Public Library Board, appeared and was given the Oath of Office by the President of the Lewis County Commission.

IN RE: ROBERT WENTZ, RESIGNATION FROM LEWIS COUNTY EDA BOARD

The resignation of Robert Wentz as a LCEDA Board member was accepted upon motion of Thomas V. Fealy, second by Patrick D. Boyle, effective May 23, 2012. Mr. Wentz will be relocating to North Carolina.

IN RE: REAPPOINTMENT OF ELAINE B. FLAXER AS MEMBER
JANE LEW PUBLIC SERVICE DISTRICT BOARD

Commission approved the reappointment of Elaine B. Flaxer for another six (6) year term on the Jane Lew Public Service Board as requested by the board upon motion of Thomas V. Fealy, second by Patrick D. Boyle, motion passing.

IN RE: RECEIPTS AND DISBURSEMENTS

Pursuant to the provisions of Chapter 44, Article 2, Section 1 of the 1981 Code of West Virginia, as amended by the acts of the Legislature, Regular Session, 1985, the following doth hereby declare that the time for filing of CLAIMS has expired; that no known and unpaid CLAIMS exist against said estate; and there having been no objections thereto, the same is hereby confirmed:

Phyllis Sue Wilson, Administratrix, Waiver of Settlement of the
Fiduciary Account of the Estate of George Ershell Himelrick, deceased

Larry D. Cunningham, Executor, Waiver of Settlement of the
Fiduciary Account of the Estate of Sarah E. Cunningham, deceased

IN RE: LEAVE REQUEST APPROVED

JEFFREY D. HYRE	Friday, June 8	1 Day Annual
ROB WAUGH	Friday, June 29	1 Day Annual
TOM ALKIRE	Friday, June 1	1 Day Comp

OATH OF OFFICE AND CERTIFICATION

STATE OF WEST VIRGINIA,

COUNTY OF LEWIS, TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the Office of JANE LEW PUBLIC SERVICE DISTRICT BOARD MEMBER to the best of my skill and judgment, SO HELP ME GOD.

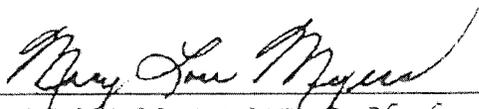

OSCAR MILLS

Subscribed and sworn to before me in my said County and State this 4th day of August, 2009.

LEWIS COUNTY, WV
FILED

2009 AUG -4 P 4: 05

MARY LOU MYERS
COUNTY CLERK


MARY LOU MYERS, Clerk

Mary Lou Myers
LEWIS County 01:01:43 PM
Instrument No 26424
Date Recorded 06/21/2012
Document Type OATHOFF
Pages Recorded 1
Book-Page 2-62

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF LEWIS TO-WIT

I, Elaine Flaxer, do solemnly swear that I will support
the Constitution of the United States and the Constitution of the
State of West Virginia, and that I will faithfully discharge the duties of serving
On the Jane Lew Public Service District Board to the best of my skill and
judgment, SO HELP ME GOD.

Signature of affiant:



Elaine Flaxer

Subscribed and sworn to before me, in said County and State, this
18th day of June, 2012.



Patrick Boyle, President
Lewis County Commission

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF LEWIS, TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the office of JANE LEW PUBLIC SERVICE DISTRICT BOARD MEMBER to the best of my skill and judgment SO HELP ME GOD.

(Signature of affiant) Thomas Bailey
Thomas Bailey

Subscribed and sworn to before me, in said County and State, this

12th day of July, 2010.

Mary Lou Myers
Mary Lou Myers, Clerk
Lewis County Commission

RULES OF PROCEDURE
JANE LEW PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: JANE LEW PUBLIC SERVICE DISTRICT.

Section 2. The principal office of this Public Service District will be located at 68 Park Avenue, Jane Lew, Lewis County, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Jane Lew Public Service District, and in the center "seal" as follows:

Section 4: The fiscal year of the District shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II

PURPOSE

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MISSION

It shall be the mission of the Jane Lew Public Service District to provide and deliver potable drinking water at a reasonable cost to the people of the District; in addition, the District shall collect, treat and dispose of wastewater so as to protect the local environment and safeguard the public health of the people in the District.

ARTICLE IV

BOARD MEMBERSHIP

Section 1. In accordance with the Act, the members of the governing Board of the Jane Lew Public Service District shall be persons residing in the District and appointed by the County Commission of Lewis County, West Virginia. Members of the Board shall be appointed to serve six-year terms or to fill vacant, unexpired terms as may be specified in the order of the County Commission. Such persons shall assume the rights and obligations of Board membership upon taking the Oath of Office administered by the County Commission/County Clerk.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve on the Board, the Secretary shall immediately notify the County Commission and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any Board member, the Secretary shall notify the County Commission of the pending termination and request the County Commission to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board. Persons appointed to fill unexpired terms shall assume the rights and obligations of Board membership upon taking the Oath of Office administered by the County Commission/County Clerk. Board members being re-appointed shall re-take the Oath of Office.

Section 3. Members of the Public Service Board shall be compensated for service according to the provisions of the Act; however, no Board member shall be compensated for any meeting not attended. Members of the Board may be reimbursed according to the prevailing rules of the District for expenses incurred in carrying out duties of the Board. Board members and members of their immediate family shall not be or become pecuniarily interested, directly or indirectly, in any proceedings of the District.

Section 4. Within six months of assuming office, newly-appointed members of the Public Service Board shall undergo mandatory Board member training as provided by the Public Service Commission. Within thirty days of appointment, the Secretary shall provide to the Public Service Commission the name of the new Board member, home address, home and office phone numbers, date of appointment, length of term and, if applicable, name of the Board member being replaced. The Secretary shall provide all new members of the Board with a copy of these Rules of Procedure immediately upon their assuming office.

ARTICLE V

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Board of the Jane Lew Public Service District shall hold regular monthly meetings on the second Thursday of each month, at such place and hour as the members shall determine from time to time. At the regular January meeting the scheduled dates of all regular meetings for that year shall be determined and entered of record, including, if applicable, any changes to the normal schedule occasioned by the concurrence of a scheduled meeting and a legal holiday. Special meetings convened for designated purposes and emergency meetings requiring immediate action by the Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board two members shall constitute a quorum. If a quorum is not present, those present may adjourn the meeting to a later date. Each member of the Public Service Board shall have one vote at any Board meeting.

Section 3. Unless otherwise agreed, notice of regular meetings shall not be provided to Board members. Unless otherwise waived, 3-day advance notice of each special meeting shall be given to all Board members by the Secretary via fax, telephone, mail or other satisfactory means.

ARTICLE VI

PUBLIC NOTICE OF MEETINGS

Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the date, time and place of all regularly scheduled meetings of such Public Service Board, and the date, time, place and purpose of all special meetings of such Public Service Board, shall be made available in advance to the public and news media (except in the event of an emergency requiring immediate action) as below:

A. Regular Meetings. After the regular January meeting of the Board the Secretary shall give advance notice to the news media of the meeting place and dates of all regularly scheduled meetings for the forthcoming year. The annual schedule of meetings shall also be posted and maintained by the Secretary on the front door or bulletin board of: 1) the Lewis County Courthouse; 2) the District office where walk-in payment is accepted; and 3) the regular Board meeting place. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. Public notice shall be posted by the Secretary not less than 72 hours before any specially scheduled meeting of the Board. Such notice shall be posted on the front door or bulletin board of: 1) the Lewis County Courthouse; 2) the District office where walk-in payment is accepted; and 3) the regular Board meeting place. Such notice shall state briefly the date, time, place and sole purpose or purposes of the special meeting. No business other than that stated in the notice or incidental thereto shall be transacted at any special meeting. If the special meeting is cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

C. Emergency Meetings. In the event of an emergency requiring immediate action by the Public Service District Board, the Chairman of the Public Service District Board may convene an emergency meeting at any time. No public notice need be given in such an emergency situation.

ARTICLE VII

PUBLIC AGENDA

Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the agenda of all regularly scheduled meetings of such Public Service Board shall be made available in advance to the public and news media as follows:

Section 1. Not less than 72 hours before each regularly scheduled Board meeting is to be held the Secretary shall cause a public agenda for that meeting to be posted on the front door or bulletin board of: 1) the Lewis County Courthouse; 2) the District office where walk-in payment is accepted; and 3) the regular Board meeting place. The agenda may be amended, if necessary, up to 48 hours before the meeting; in such case the amended public agenda shall be posted in the same locations by the 48-hour deadline.

Section 2. Such agenda shall consist of a list generally identifying each item of business to be heard or considered during the meeting and the order in which it is to be taken up. This article does not prohibit the modification of the order of the day for any reasonable purpose at the request of any Board member and by consensus of the Board.

Section 3. The Board shall not act on any item of business or on any matter incidental thereto unless it is identified on the publicly posted agenda, except in the event of an emergency requiring immediate Board action. In such cases, the meeting minutes shall explain the facts and circumstances of the emergency. All non-emergency matters brought to the Board during the course of a meeting shall be directed to the District office for response or scheduled for a subsequent meeting of the Board.

ARTICLE VIII

PUBLIC PARTICIPATION

Section 1. The Jane Lew Public Service Board recognizes the benefit of public participation both to the public and to the District. Public involvement makes District decisions more likely to reflect public need and preferences, and public confidence and understanding tends to ease potential resistance to District decisions.

Section 2. Members of the public shall be allowed to ask questions and make comment to the Board on any posted agenda item prior to its being acted upon by the Board, provided such members of the public are given the floor by the Chairman, and provided such questions and comment be brief and non-disruptive in nature. Each member of the public may be limited to five-minutes of participation. The Board shall reserve the right to remove from the meeting any member of the public whose participation is such that orderly conduct of the meeting is compromised. Members of the public shall not be required to register intent to speak; however, all members of the public desiring to speak shall be encouraged to provide advance notice of same to the District as a courtesy.

Section 3. New business brought to the Board by members of the public after the agenda is posted shall not be acted upon except to determine if it needs to be placed on the agenda of a subsequent meeting or referred to the District office for response.

ARTICLE IX

EXECUTIVE SESSION CLOSED TO PUBLIC

Pursuant to Section 4, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), a Public Service Board may hold an executive session during a regular, special or emergency meeting in accordance with the provisions of this section as follows:

Section 1. Members of the public shall only be excluded from a meeting of the Board of the Jane Lew Public Service District for one of the allowed purposes set forth under the law. An executive session shall not be convened to safeguard the privacy of an individual if that individual duly requests an open meeting.

Section 2. During the open portion of any regular, special or emergency meeting the Chairman shall cite before all persons present the abovementioned statutory authorization and allowable purpose for closing the meeting to the public. Adjournment to executive session shall require a motion and a majority affirmative vote of the Board. At the end of the executive session the Chairman shall publicly declare the meeting to be open to any members of the public wishing to attend.

Section 3. The Public Service Board shall make no decision during an executive session. All actions on an issue considered during an executive session shall be taken during open session.

Section 4. Minutes of any executive session shall state the statutory authority and allowed purpose for excluding the public, the time the executive session began and the time it ended.

ARTICLE X

MINUTES OF MEETINGS

Pursuant to Section 5, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), a Public Service Board shall provide for the preparation of written minutes of all its meetings as follows:

Section 1. Minutes of all Public Service Board meetings shall consist at a minimum of the date, time and place of the meeting, all Board members present and absent, all invited guests of the District, any members of the public, and (by agenda item in sequence) all motions, proposals, resolutions, orders, ordinances and measures proposed, as well as the name of the Board members who proposed and seconded same, the results of all votes taken, and the time of adjournment.

Section 2. At the request of any Board member for a roll call vote, a record of the vote of each member by name shall be made a matter of record in the minutes. There shall be no decisions made by secret ballot of the Board.

Section 3. After having been approved, the minutes shall be signed by both the Chairman and the Secretary of the Board and a copy provided to the County Commission of Lewis County.

Section 4. At a minimum, all General Manager Reports to the Board, all official Board correspondence for the preceding month, and all documents executed during the meeting shall be appended to the minutes as attachments.

Section 5. The minutes shall be completed and made available to the public within a reasonable time after each meeting. All minutes and their addenda are public records and shall be maintained in perpetuity in a Minutes book which is open to the public upon request. The Secretary of the Board shall have charge of the Minutes book.

ARTICLE XI

BOARD OFFICERS

Section 1. The officers of the Public Service Board shall be a Chairman, a Secretary and a Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person. Persons who are not Board members who serve in the capacity of Secretary or Treasurer may be compensated for their work according to rules established by the Board.

Section 2. The officers of the Board shall be elected by the members at the first regular meeting of each calendar year. The officers so elected shall serve until the next annual election by the Board and until their successors are duly elected and qualified. Chairmanship of the Public Service Board shall rotate annually among the three members of the Board. Any vacancy occurring among the officers shall be filled by action of the Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected as hereinabove provided.

ARTICLE XII

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. The Chairman shall, together with the Secretary, sign the minutes of all meetings at which he or she shall preside. The Chairman shall attend generally to the executive business of the Board and exercise such powers as may be conferred by the Board, by these Rules of Procedure, or as prescribed by law. The Chairman may delegate functions to the General Manager of the District as provided for by law. The Chairman or designee shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman, sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the Minutes book, be the custodian of the Common Seal of the District and of all deeds and other writings and papers of the Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office

or as may be conferred from time to time by the members of the Board, these Rules of Procedure or as prescribed by law. The Secretary of the Board may delegate duties and functions to designated employees of the District.

Section 3. The General Manager of the Jane Lew Public Service District shall hold the office of Treasurer of the Board. The Treasurer shall be the lawful custodian of all funds of the District and shall disburse funds of the District on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman is absent from any meeting, the remaining members of the Board shall select a temporary chairman who shall have all of the powers of the absent officer during such period of absence. If the Secretary or Treasurer is absent from any meeting, the General Manager shall be responsible for seeing that secretarial services are provided for the period of absence, and for seeing that the Treasurer's Report is made to the Board.

ARTICLE XIII

PROCEDURES NOT COVERED HEREIN

Any procedures not covered by these Rules of Procedure shall be governed by Robert's Rules of Order.

ARTICLE XIV

AMENDMENTS TO RULES OF PROCEDURE

Pursuant to Section 4, Article 13A, Chapter 16 of the Code of West Virginia of 1931, as amended (the "Act"), the board shall by resolution determine its own rules of procedure.

Section 1. It shall be the right of the Public Service Board to establish and enforce reasonable Rules of Procedure for the carrying out of its official responsibilities.

Section 2. These Rules of Procedure may be altered, changed, amended, repealed or added to at any regular or special meeting of the Board by a majority vote of the entire Board, so long as ten days notice of the exact substance of said proposed changes shall be provided to each Board member. No such change or amendment shall be made at any special meeting unless notice of the intention to propose said change be submitted to the news media, and a clear summary of the amendment or amendments be included in the posted public notices.

Section 3. The Board shall review and ratify its Rules of Procedure at the regular January meeting of each calendar year.

Section 4. The Secretary of the Board shall be custodian of the Rules of Procedure of the Board.

Section 5. These Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the District.

Adopted this 14th day of December, 2004.

Minutes of Jane Lew Public Service District

Regular Meeting January 10, 2013

Present: Thomas E. Bailey (2012 Chairman); Elaine B. Flaxer (2012 Secretary); Oscar R. Mills (2013 Chairman); Nancy E. Gee (General Manager) & Treasurer
Guests:
Absent:

1. **Call to Order:** The meeting was called to order by 2012 Chairman Bailey at 4:00 p.m. at the Jane Lew Wastewater Plant Classroom, then presided over by 2013 Chairman Oscar R. Mills after his election.

2. **Election of Officers:**

MOTION: (Flaxer/Bailey) - in conformity with Article XI, Section 2 of the Board's Rules of Procedure, to rotate the office of Chairman to Oscar R. Mills for calendar year 2013, effective immediately. [Carried Unanimously]

MOTION: (Bailey/Mills) - to elect/reelect Elaine B. Flaxer to the office of Board Secretary for calendar year 2013. [Carried Unanimously]

MOTION: (Bailey/Flaxer) - in conformity with her 2010 Resolution of Appointment, to re-appoint Nancy E. Gee to the office of Treasurer for calendar year 2013 as part of the job of General Manager. [Carried Unanimously]

3. **Rules of Procedure:**

MOTION: (Flaxer/Mills) to ratify the existing Rules of Procedure as adopted 12/14/04 and amended 02/09/06. [Carried Unanimously]

4. **Schedule of 2013 Regular Meetings and Office Closures:**

MOTION: (Bailey/Flaxer) to adopt the proposed schedule, time and location (attached) of regular PSD meetings and office closures for year 2013. [Carried Unanimously]

Assignments

- ✓ General Manager to see that annual 2013 Meeting Schedule & Office Closures is provided to local news media.
- ✓ General Manager to see that annual 2013 Meeting Schedule & Office Closures is posted on the door of the District Office, the door to the Wastewater Plant, and at the Lewis County Courthouse.

5. **Minutes: (12/13/12)**

MOTION: (Bailey/Mills) to approve attached Minutes of 12/13/12 regular meeting. [Carried Unanimously]

6. General Manager's December Reports (Gee)

A. WATER:

1. Bills (Attached)

MOTION: (Flaxer/Bailey) to ratify payment of attached list of water invoices for December 2012. [Carried Unanimously]

2. Treasury Report (Attached)

MOTION: (Flaxer/Mills) to approve attached Water Treasury Report for December 2012. [Carried Unanimously]

3. Water Adjustments Report (Attached)

MOTION: (Bailey/Mills) to approve attached Water Adjustments Report for December 2012. [Carried Unanimously]

4. Water Purchase, Sales & Loss Report (Attached) - unaccounted December loss of 6%.

5. Water System Repairs Report - customer wrecked & hit fire hydrant - knocked it into field. Parts ordered and hydrant repaired. Customer will pay for repairs.

6. Water System Preventive Maintenance Report -

- a) Leak Survey/Detection - monthly system check completed
- b) System Flushing - due spring 2013
- c) Valve Exercising - due June 2013
- d) Hydrant Exercising/ Flow Testing - due July 2013
- e) Critical Inventory - nothing required
- f) Pumps/Automatic Valves/Booster Stations - monthly check done
- g) Tanks - monthly check done
- h) Meter Testing & Change Out - changed 4-inch meter at U.S. Well Service
- i) Cross Connections/Backflow prevention - ongoing
- j) Other - nothing

7. Water Asset Management Report - Bertis McCarty, our RWA circuit rider, is tentatively scheduled to come to office on Friday, 1/11/13 to provide training on CUPSS program.

B. WASTEWATER:

1. Wastewater Bills (Attached)

MOTION: (Bailey/Flaxer) to ratify payment of list of sewer invoices for December 2012. [Carried Unanimously]

2. Wastewater Treasury Report (Attached)

MOTION: (Bailey/Mills) to approve sewer Treasury Report for December 2012. [Carried Unanimously]

3. Wastewater Adjustments Report (Attached)

MOTION: (Flaxer/Bailey) to approve sewer Adjustments Report for December 2012. [Carried Unanimously]

4. Wastewater Repairs Report - rotor repaired & back in service. Pump from Lift 2 sent away for repair; back in service.

5. Wastewater Production Report (Attached) - December rainfall 2.93 inches

6. Wastewater Preventive Maintenance Report

- a) I & I prevention - nothing
- b) Line flushing - none
- c) Cleanouts - checked as needed
- d) Manholes - checked as needed
- e) Pumps & Lift Stations - checked daily and amped twice/week
- f) Critical Inventory - purchased new backup pump for Lift 2
- g) Rotors - monthly checking & greasing completed
- h) Vehicles - serviced as needed
- i) Other -

7. Announcements:

- ✓ Sewer Engineer Dan Ferrell's father has died.
- ✓ Region VII staff Rosemary Wagner has died.

8. Correspondence:

- 1: Letter (12/6/12) from Bowles Rice to Doug Forni, Nancy Gee & Douglas Wise RE: JLPSD Condemnation Proceeding –Ronzal Ross & Kevin Ross
- 2: Letter 12/14/12 from Bowles Rice to JLPSD RE: Change in billable hour rate
- 3: Email (12/21/2012) from James Kelsh to Nancy Gee RE: JLPSD sewer certificate petition to reopen and motion for expedited treatment was filed with the PSC
- 4: Letter (12/21/2012) from Bowles Rice to Sandra Squire Executive Secretary of the PSC of WV
Cc: to Nancy Gee, Dan Ferrell, & Zach Dobbins RE: Petition To Reopen
- 5: Letter (12/14/2012) from State of WV DHHR RE: 2013 Monitoring Schedule
- 6: Letter (12/21/12) from Bennett & Dobbins CPA to Board of Directors RE: Accountant's Compilation Report, Attached Rule 42.
- 7: Letter (01/02/13) to Snider Development from Nancy Gee RE: Overpayment on Trailer Park Mainline Extension

~ ~ OLD BUSINESS ~ ~

9. Update: Phase II Sewer Upgrade /09-1043-PSD-42T-PC-PW-CN/ (Gee; Engineer Ferrell absent)
- A. Rights -of-Way – final “attempt” letter sent by attorney to remaining holdouts
 - B. Pump Station Sites
 - C. Funding & Bids – at regular 1/03/13 meeting WVJDC voted (5:3) to approve additional \$1.3 million 40-yr loan at zero percent interest for JL-PSD cost overrun. Elaine Flaxer signed (attached) letter of commitment.
 - D. Other

10. Update: Pending Extensions and Road Bores (Gee) none

11. Update: Board Review of PSD Policies and Job Descriptions (Flaxer) – no progress
- A. Emergency Response Policy - still in drafting stage
 - B. Private Fire Protection Policy
 - C. Professional Incentives Policy
 - D. Revise Water Job Description to be consistent with a water PURCHASE entity
 - E. Other

12. Update: Personnel Matters (Gee) – nothing to report.
- A. Office –
 - B. Water Division
 - C. Sewer Division –

13. Update: GIS Mapping (Gee) -- manager and field staff to meet with Wesley Bailles of Landmark Forestry to review mapping needs and costs.

14. Update: Property Lease (Gee) -- no progress. (It was noted that another new building is under construction across Route 19 from the Sewer Plant.)

~ NEW BUSINESS ~

15. Late Received Agenda Items (Gee) - none.

16. Adjournment: The meeting was adjourned by Chairman Mills at 4:45 p.m.


Oscar R. Mills, Chairman


Elaine B. Flaxer, Secretary

Attachments:

- Schedule of 2013 Regular Board Meetings & Office Closures
- December '12 Bills Paid (Water/Wastewater)
- December '12 Treasury Reports (Water/Wastewater)
- December '12 Adjustments Reports (Water/Wastewater)
- December '12 Production Reports (Water/Wastewater)
- All correspondence listed on page 3
- Letter of Commitment dated ~~01-12-13~~ from WVLJDC to JLPSD for \$1.3million loan at 0% interest for 40-years

E-Copies of Unapproved Minutes Sent to:

- " James V. Kelsh, Attorney
- " Dan Ferrell, Phase II Sewer Project Engineer, Thrasher Engineering
- " PSD Office
- " Board Members

Minutes of Jane Lew Public Service District

Special Meeting

April 25, 2013

Present: Oscar R. Mills (Chairman); Thomas E. Bailey (Board); Elaine B. Flaxer (Secretary); Nancy E. Gee (General Manager).

Guests: John Stump, Esq. (Steptoe & Johnson, Bond Attorney)

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Call to Order: Chairman Mills called the specially scheduled meeting to order at the Jane Lew PSD Wastewater Office, located at 7747 U.S. Highway 19 North, at 4:00 p.m. for the sole purpose of considering and acting upon the several bond resolutions pertaining to the District's Phase II Sewer Project.

Phase II Sewer Project Bond Closing

A. Bond Resolution

To consider and act upon a proposed Bond Resolution providing for the issuance of its Sewer Revenue Bonds, Series 2013A, (the "Bonds").

MOTION: (Bailey/Mills) To authorize Oscar Mills as Chairman to sign the attached 38 year Bond Resolution dated 04-25-13 indicating Board approval of a 38 year bond at 0% for \$ 5,167,000. (Carried Unanimously)

B. Supplemental Resolution

To consider and act upon a proposed Supplemental Resolution providing for the issuance of the Bonds.

MOTION: (Flaxer/Mills) To authorize Oscar Mills as Chairman to sign the attached Supplemental Resolution dated 04-25-13 and outlining the specific terms of the \$ 5,167,000, 38 year bond agreement indicating Board approval of same. (Carried Unanimously)

C. Sweep Resolution

To consider a Sweep Resolution pertaining to the automatic payment of bonds to the Municipal Bond Commission.

MOTION: (Mills/Bailey) To authorize Oscar Mills as Chairman to sign the attached authorization for the monthly bond payment in the amount of \$12,383 to be automatically withdrawn from the Sewer Revenue Account on the first day of every month starting December 2014, which signature indicates Board approval of same. (Carried Unanimously)

D. Draw Resolution

To consider a Draw Resolution for the payment of invoices from the Bond.

MOTION: (Flaxer/Bailey) To authorize Oscar Mills as Chairman to sign attached Pay Requisition #1 dated 04-25-13 and totaling \$112,468.80 for the following payees:

- ✓ Huntington Banks (Registrar) \$500.00
- ✓ Steptoe & Johnson (Bond Counsel) \$25,000.00
- ✓ Jane Lew PSD \$44,978.80
- ✓ Thrasher Engineering (Project Engineer) \$11,950
- ✓ Bennett & Dobbins (Project Accountant) \$20,000
- ✓ West Virginia Department of Highways (Permit) \$10,040.00

(Carried Unanimously)

Adjournment: Chairman Mills adjourned the meeting at 4:15 p.m.

Oscar R. Mills, Chairman

Elaine B. Flaxer, Secretary

Attachments –

- Steptoe & Johnson “Excerpt of Minutes
- Memorandum dated 04-25-13 from John C. Stump to Board of Jane Lew PSD re: Sewer Revenue Bonds ...
- Schedule B [Budget] Jane Lew Sewer Project
- Resolution ...
- Supplemental Resolution
- Sweep Resolution ...
- Draw Resolution ...

E-Drafts Mailed to: James V. Kelsh, Bowles-Rice Project Attorney
Dan Ferrell, Thrasher Engineer Project Engineer
Shane Whitehair, Region VII Project Administrator
Katy Mallory, Steptoe and Johnson
PSD Office
Board Members

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

EXCERPT OF MINUTES ON ADOPTION OF BOND
RESOLUTION, SUPPLEMENTAL RESOLUTION, DRAW
RESOLUTION AND SWEEP RESOLUTION

The undersigned SECRETARY of Jane Lew Public Service District hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Public Service District:

Jane Lew Public Service District met, pursuant to notice duly posted, on the 25th day of April, 2013, in Jane Lew, West Virginia, at the hour of 4:00 pm.

PRESENT:

Elaine Flaxer, Board member
Thomas Bailey, Board member
Oscar Mills, Board member
Nancy Gee, Manager
John Stump, Steptoe & Johnson

The Chairman called the meeting to order. The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Bond Resolution

Thereupon, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF JANE LEW PUBLIC SERVICE DISTRICT, AND THE FINANCING OF A PORTION OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE JANE LEW PUBLIC SERVICE DISTRICT OF NOT MORE THAN \$5,167,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING

TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion duly mad by Thomas Baileyand seconded by Oscar Mills, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Supplemental Resolution

Next, the Chairman presented a proposed Supplemental Bond Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2013 A (WEST VIRGINIA INFRASTRUCTURE FUND) OF JANE LEW PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Elaine Flaxer and seconded by Oscar Mills, it was unanimously ordered that the said Supplemental Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Sweep Resolution

Next, the Chairman presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, on motion duly made by Oscar Mills and seconded by Thomas Bailey, it was unanimously ordered that the said Sweep Resolution be adopted.

First Draw Resolution

Next, the Chairman presented a proposed First Draw Resolution for the approval of invoices from the construction loans. Thereupon, on motion duly made by Oscar Mills and seconded by Thomas Bailey, it was unanimously ordered that the said Draw Resolution be adopted.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of Jane Lew Public Service District and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 6th day of May, 2013.



Secretary

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

Citizens Bank, Jane Lew, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Resolution of Jane Lew Public Service District (the "Issuer") adopted April 25, 2013, and the Supplemental Resolution of the Issuer adopted April 25, 2013 (collectively, the "Resolution"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), dated May 6, 2013, issued in the principal amount of \$5,167,000 (the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Resolution.

WITNESS my signature on this 6th day of May, 2013.

CITIZENS BANK

By: 
Its: Authorized Officer Martin J. Riley

JANE LEW PUBLIC SERVICE DISTRICT

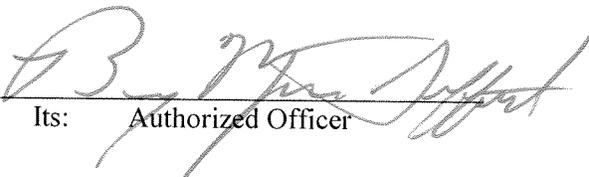
Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

The Huntington National Bank, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Jane Lew Public Service District Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), dated May 6, 2013, issued in the principal amount of \$5,167,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Resolution authorizing issuance of the Bonds.

WITNESS my signature on this 6th day of May, 2013.

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

JANE LEW PUBLIC SERVICE DISTRICT

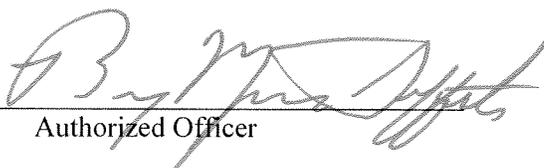
Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

The Huntington National Bank, Charleston, West Virginia, as Registrar under the Resolution and Registrar's Agreement providing for the above-captioned Bonds of Jane Lew Public Service District (the "Issuer"), hereby certifies that on the date hereof the single, fully registered Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), of the Issuer, dated May 6, 2013, in the principal amount of \$5,167,000, numbered AR-1, was registered as to principal and interest, if any, in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of The Huntington National Bank, as Registrar.

WITNESS my signature on this 6th day of May, 2013.

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 6th day of May, 2013, by and between JANE LEW PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$5,167,000 Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund) dated May 6, 2013, and in fully registered form (the "Bonds"), pursuant to the Bond Resolution of the Issuer duly adopted April 25, 2013, and the Supplemental Resolution of the Issuer duly adopted April 25, 2013 (collectively, the "Resolution");

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 Resolution, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

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

WHEREAS, the Issuer desires to appoint, and by the Resolution and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Resolution 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 Resolution, 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 exclusion of interest, if any, on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the

Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

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

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

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Resolution with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Resolution, the terms of the Resolution 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 Resolution 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: Jane Lew Public Service District
Post Office Box 845
Jane Lew, West Virginia 26378
Attention: Chairperson

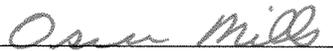
REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

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

[Remainder of Page Intentionally Blank]

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

JANE LEW PUBLIC SERVICE DISTRICT

By: 
Its: Chairperson

THE HUNTINGTON NATIONAL BANK

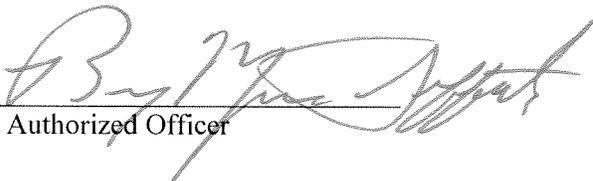
By: 
Its: Authorized Officer

EXHIBIT A

Resolution included in bond transcript as Documents No. 1 and No. 2.

SCHEDULE OF COMPENSATION



STATEMENT OF REGISTRAR'S FEES
Invoice Date May 6, 2013

**Jane Lew Public Service District
Account Number 6089001809**

Jane Lew Public Service District
Sewer Revenue Bonds, Series 2013 A
c/o Katy Mallory
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

FEE CALCULATION FOR May, 2013

TOTAL AMOUNT	\$ 500.00
TOTAL DUE	<u>\$ 500.00</u>

**MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633**

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035

GRANT AGREEMENT
(2005S-889)

This Grant Agreement entered into by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), at the direction of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the JANE LEW PUBLIC SERVICE DISTRICT (the "Governmental Agency").

RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed \$1,500,000 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

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

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources. The Project budget shall not be amended unless the Governmental Agency has received the prior written consent of the Council.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Authority. Unless agreed to by the Council prior to the commencement of construction, the Grant shall be the last dollars expended on the Project.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Authority shall wire the approved requisition amount using the wiring instructions provided in Exhibit B, unless the Council and Authority are provided replacement instructions in writing.

6. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

7. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

8. The Governmental Agency shall list the Grant provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project.

9. This Grant Agreement shall be governed by the laws of the State of West Virginia.

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

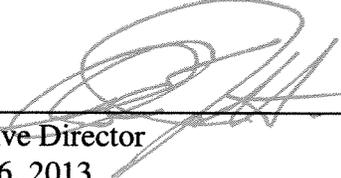
JANE LEW PUBLIC SERVICE DISTRICT

By: 
Its: Chairman
Date: May 6, 2013

(SEAL)

Attest: 
Its: Secretary

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

By: 
Its: Executive Director
Date: May 6, 2013

(SEAL)

Attest: 
Its: Authorized Officer

Exhibit A

Project Description

The Project consists of decommissioning the existing sewer treatment plant, connecting to the Weston Sanitary Board facilities, and extending service to new customers, and all necessary appurtenances thereto.

Number of Proposed New Customers to Be Served: 313

Location: Westfield and Lightburn areas

[TO BE PLACED ON LETTERHEAD]

Exhibit B

Wiring Instructions

**Jane Lew Public Service District
68 Park Ave.
Jane Lew, WV 26378**

Payor: West Virginia Water Development Authority
Source: Grant Proceeds
Amount: \$ _____
Date: _____
Form: Electronic Funds Transfer
Payee: Jane Lew Public Service District
68 Park Ave., Jane Lew, WV 26378
Contact Name: Nancy Gee, General Manager
Telephone: (304) 884-7111
Bank Name: Citizens Bank
Bank Street Address: 47 Industrial Park Road, Jane Lew, WV 26375
Bank Contact: _____
Telephone: (304) 884-7825
ABA: 051501451
Account #: 038449
Account: Series 2013 Bonds Construction Trust Fund



State of West Virginia
Joe Manchin III
Governor

Office of the Governor
State Capitol
1900 Kanawha Boulevard, East
Charleston, WV 25305

Telephone: (304) 558-2000
Toll Free: 1-888-438-2731
FAX: (304) 342-7025
www.wv.gov

February 1, 2008

The Honorable S. Dianne Hicks
Mayor
Town of Jane Lew
Post Office Box 50
Jane Lew, West Virginia 26378

Dear Mayor Hicks:

Thank you for your application to the Small Cities Block Grant program.

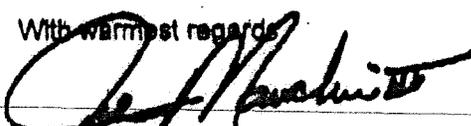
Your request has been approved in the amount of \$1,300,000. These funds will enable you to facilitate the abandonment of the town's existing deteriorated wastewater treatment plant and convey all sewage to the City of Weston's upgraded plant to serve approximately 555 existing customers and approximately 313 new customers.

In order to effectively use the limited dollars available, I hereby commit \$200,000 from our fiscal year 2007 allocation that will immediately be available to you. The remaining \$1,100,000 necessary to complete the project will be evaluated and committed in a future year allocation based on your ability to proceed forward with this project. I encourage you to expedite this project and reach its completion as quickly as possible with this funding strategy in mind. The West Virginia Development Office reserves the right to withdraw these funds if your project does not proceed on schedule.

Please contact Michael Browning of the West Virginia Development Office, at (304) 558-2234, to complete the necessary contract in order to proceed with your project.

I am pleased to assist with these improvements for the citizens of the Town of Jane Lew.

With warmest regards,


Joe Manchin III
Governor

JM:mbb



State of West Virginia
Joe Manchin III
Governor

Telephone: (304) 558-2000
Toll Free: 1-888-438-2731
FAX: (304) 342-7025
www.wv.gov.org

Office of the Governor
State Capitol
1900 Kanawha Boulevard, East
Charleston, WV 25305

February 16, 2007

The Honorable Dianne Hicks
Mayor
Town of Jane Lew
Post Office Box 50
Jane Lew, West Virginia 26378

Dear Mayor Hicks:

Thank you for your application to the Small Cities Block Grant Program.

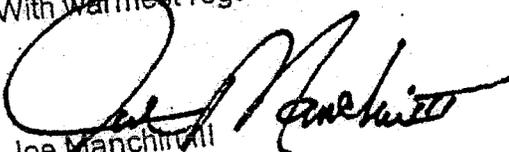
Your request has been approved in the amount of \$200,000 for a Design and Administration Grant. These funds will enable you to complete the engineering design and required administrative services for the Town's project to abandon the existing deteriorated wastewater treatment plant and convey all sewage to the City of Weston's plant.

In order to effectively utilize the limited dollars available, the West Virginia Development Office has launched a new program to assist communities with the engineering and administrative components of selected projects. This grant does not secure funding for the balance of the request in your application. The designed project must be resubmitted and will be competitively reviewed and considered for funding based on an amended application, availability of funds, and other requests pending at that time. The West Virginia Development Office reserves the right to withdraw these funds if your project does not proceed on schedule.

Please contact Mr. Michael Browning of the West Virginia Development Office, at (304) 558-2234, to complete the necessary contract in order to proceed with your project.

I am pleased to assist with this project for the citizens of the Town of Jane Lew.

With warmest regards,


Joe Manchin III
Governor

20-906
Permit File

encl- Dan Ferrell
Doug Ferrell
Phil Semmes

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

350 CAPITOL STREET, ROOM 313

Telephone (304) 558-2981

CHARLESTON, WV 25301-3713

PERMIT

MAY 25 2011

(Sewage)
PROJECT: Westfield/Lightburn Sewage Collection Facilities
Connection to City of Weston WWTP

THRASHER ENGINEERING, INC. PERMIT NO.: 18,817

LOCATION: Jane Lew

COUNTY: Lewis

DATE: 5-23-2011

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

**Jane Lew Public Service District
68 Park Avenue
Jane Lew, West Virginia 26378**

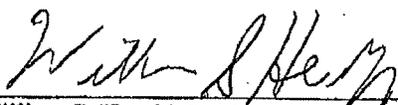
is hereby granted approval to: install approximately 150 LF of 12", 13,273 LF of 10", 17,080 LF of 8", and 34,400 LF of 6" sewer line; necessary manholes and cleanouts; six (6) duplex submersible pump stations; seven (7) duplex grinder pump stations; six (6) simplex grinder pump stations; 10,530 LF of 8", 6,000 LF of 2" and 4,900 LF of 1.5" force main; and all necessary controls and appurtenances; with connection to the existing City of Weston sewage collection and treatment system. The existing Jane Lew PSD wastewater treatment plant will be abandoned and removed.

Facilities are to serve the Westfield/Lightburn areas and the Jane Lew PSD.

The Environmental Engineering Division of the OEHS Philippi District Office, (304) 457-2296, is to be notified when construction begins.

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

FOR THE DIRECTOR


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

WSH:plk

pc: Thrasher Engineering, Inc
Katheryn Emery, P.E., DEP
Ingrid Ferrell, PSC-Engineering Division
Amy Swann, PSC
Lewis County Health Department
OEHS-EED Philippi District Office

OWR Permit Details

(1) OWR Permit		
PERMITTEE	JANE LEW WATER COMM	
DEP OFFICE	OWR	
PERMIT ID	WV0040894	
ISSUE/REISSUE DATE	05/14/10	
EXPIRATION DATE	05/13/15	
FACILITY NAME	JANE LEW WATER COMM	
DESCRIPTION		
No. of CUSTOMERS	593	
DISTURBED ACRES		
SLUDGE TONNAGE		
DESIGN FLOW(MGD)	0.150000	
AVERAGE FLOW(MGD)	0	
MAJOR FACILITY	N	
EXTENSION DATE		
(1) County / Quad		
County: Lewis	Quad: WEST MILFORD	
(8) Inspectable Units		
INSPECTABLE UNIT CODE	TYPE	
ENTIRE	Entire Default	
IU02	Industrial Users(Pretreatment)	
IU01	Industrial Users(Pretreatment)	
IU03	Industrial Users(Pretreatment)	
IU05	Industrial Users(Pretreatment)	
IU04	Industrial Users(Pretreatment)	
001	Outlet	
S01	Sludge	
(8) Permit Geography		
INSPECTABLE UNIT CODE:	001	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	ENTIRE	Show Map
MAGISTERIAL DIST:		

NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	IU01	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	IU02	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	IU03	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	IU04	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	IU05	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:	Lewis	
INSPECTABLE UNIT CODE:	S01	Show Map
MAGISTERIAL DIST:		
NEAREST POST OFFICE:		
LATITUDE:	39° 7'38.0000"	
LONGITUDE:	80° 25'11.0000"	
COUNTY:		

	Lewis
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek
USWRC WATERSHED:	West Fork River
SCS WATERSHED:	Hackers Creek

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Bill Bailey Insurance Agency 701 Highland Avenue P. O. Box 246 Williamstown, WV 26187	CONTACT NAME: Renee Shotwell	
	PHONE (A/C, No, Ext): 304.375.4900	FAX (A/C, No): 304.375.2162
E-MAIL ADDRESS: rshotwell@bb-ins.com		
INSURED Jane Lew Water Commission PSD PO Box 845 Jane Lew, WV 26378	INSURER(S) AFFORDING COVERAGE	
	INSURER A: American Alternative Insurance	NAIC #
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

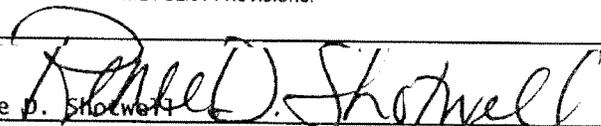
COVERAGES **CERTIFICATE NUMBER:** WV Water Development **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X	GPPA-PF6050833-02	06/30/2012	06/30/2013	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000					
						MED EXP (Any one person) \$ 5,000
						PERSONAL & ADV INJURY \$ 1,000,000
						GENERAL AGGREGATE \$ 3,000,000
						PRODUCTS - COMP/OP AGG \$ 3,000,000
						\$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		GPPA-PF-6050833-02	06/30/2012	06/30/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	BODILY INJURY (Per person) \$					
						BODILY INJURY (Per accident) \$
						PROPERTY DAMAGE (Per accident) \$
						\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$
						AGGREGATE \$
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A			WC STATUTORY LIMITS OTHER
						E.L. EACH ACCIDENT \$
						E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate holder is listed as Additional Insured

CERTIFICATE HOLDER WV Water Development Authority 180 Association Drive Charleston, WV 25311	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	Renee D. Shotwell 



Chase Tower, Eighth Floor

P.O. Box 1588

Charleston, WV 25326-1588

(304) 353-8000 (304) 353-8180 Fax

www.step toe-johnson.com

Writer's Contact Information

CLOSING MEMORANDUM

To: Financing Team
From: John C. Stump, Esquire
Date: May 6, 2013
Re: Jane Lew Public Service District, Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

DISBURSEMENTS TO JANE LEW PUBLIC SERVICE DISTRICT

Payor: West Virginia Infrastructure and Jobs Development Council
Source: Series 2013 A Bonds Proceeds
Amount: \$102,468.80
Form: Wire
Payee: Jane Lew Public Service District
68 Park Ave., Jane Lew, WV 26378
Bank: Citizens Bank
47 Industrial Park Road, Jane Lew, WV 26375
ABA #: 051501451
Account #: 038449
Contact: (304) 884-7825
Account: Series 2013 A Bonds Construction Trust Fund

448300.00004

CH5068600



MAY. 6. 2013 3:35PM
 UNITED TRUST DEPT PARKERSBURG 26101
UNITED BANK
 514 Market Street
 Parkersburg, WV 26101-5144

Monday NO. 2816 1:30 P. 1/2013

*Am
 Emma
 5 pages
 Rly*

OUTGOING WIRE TRANSFER FAX ADVICE

To: TRUST DEPT

In accordance with your instructions, we have DEBITED your account # *****5682.

Wire Amount: 102,468.80

Date & Time: 2013-05-06 00:00:00 at 19:14:33

Sender Name: UNITED BANK

Sender ABA: 051900395

Sender Reference: 130506145218T2RL

Sender Imad: 20130506E6B74K3C000052

Receiver Name: CITIZENS WESTON

Receiver ABA: 051501451

Beneficiary: JANE LEW PSD-SERIES 2013 A EDS

AC - *****8449

Beneficiary Bank:

* * *

Originator Information: TRUST DEPT

Originator Bank:

Originator Bank Information: CONTACT: KIM BROWN-VP 304.647.7111

Bank to Bank and all other FRB info fields:

* * *

Fax: 13044248770

Received Time May. 6. 3:27PM

**RESOLUTION OF THE JANE LEW PUBLIC SERVICE DISTRICT APPROVING INVOICES
RELATING TO SERVICES FOR THE SEWER SYSTEM IMPROVEMENT PROJECT
AND AUTHORIZING PAYMENT THEREOF,**

WHEREAS, the Jane Lew Public Service District, has reviewed the invoices attached in relation to the Project funded by the West Virginia Infrastructure & Jobs Development Council Loan and Grant (IJDC); and Small Cities Block Grant (SCBG) find as follows:

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

NOW, THEREFOR, BE IT RESOLVED the Jane Lew Public Service District by as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

Vendor	Total	IJDC Loan	IJDC Grant	SCBG
Step toe & Johnson	25,000.00	25,000.00	0.00	0.00
Huntington Bank	500.00	500.00	0.00	0.00
Thrasher	11,950.00	1,950.00	0.00	10,000.00
Bennett & Dobbins	20,000.00	20,000.00	0.00	0.00
PSD	44,978.80	44,978.80	0.00	0.00
DOH	10,040.00	10,040.00	0.00	0.00
Region VII	0.00	0.00	0.00	0.00
Bowles Rice	0.00	0.00	0.00	0.00
Total	112,468.80	102,468.80	0.00	10,000.00

ADOPTED BY the Jane Lew Public Service District on the 25th day of April, 2013

By: *Oscar Mills*
Its: Chairman

State of West Virginia
WATER DEVELOPMENT AUTHORITY
 180 Association Drive, Charleston, WV 25311-1217
 (304) 558-3612 - (304) 558-0299 (Fax)
 Internet: www.wvwda.org - Email: contact@wvwda.org

Date 5/3/13 Time 2:00 LGA Jane Lew PSD Program INDC

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sheila Miller	WDA	304-414-6500	304-414-0865	smiller@wvwda.org
Spencer Gice	Jack & Kelly LLC	304-340-1318	304-340-1272	sgice@jack-kelly.com
John Stump	Stetson + Johnson, PLLC	504-353-8976	304-353-8181	john.stump@stetson-johnson.com

The Authority requests that the following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Nancy Cox, General Manager Telephone 304.884.7111 E-Mail N/A
 Address P.O. Box 845, Jane Lew, WV 26378

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the NonArbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code, 1986, as amended.

SWEEP RESOLUTION

JANE LEW PUBLIC SERVICE DISTRICT

WHEREAS, the Jane Lew Public Service District (the “Issuer”) is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the “Bonds”);

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the “MBC”) which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer’s account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

- 1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.
- 2) Chairperson and Secretary are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.
- 3) This resolution shall be effective immediately upon adoption.

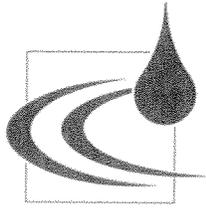
Adopted this 25th day of April, 2013.



Chairperson



Secretary



WEST VIRGINIA

Water Development Authority

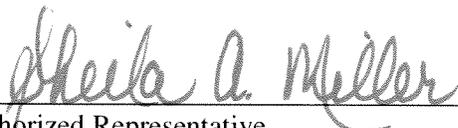
Celebrating 37 Years of Service 1974 - 2013

May 6, 2013

Jane Lew Public Service District
Sewer Revenue Bonds, Series 2013 A
(West Virginia Infrastructure Fund)

TO WHOM IT MAY CONCERN:

In reliance upon a certificate of Bennett & Dobbins PLLC, certified public accountants of the Issuer and an opinion of Steptoe & Johnson PLLC, as bond counsel, stating that the coverage and parity requirements have been met, the undersigned duly authorized representative for the West Virginia Water Development Authority, the Registered Owner of the entire Outstanding aggregate principal amount of the Prior Bonds, hereinafter defined and described, hereby consents to the issuance of the Sewer Revenue Bonds, Series 2013 A (West Virginia Infrastructure Fund), in the original aggregate principal amount of \$5,167,000 (the "Series 2013 A Bonds"), by Jane Lew Public Service District (the "Issuer"), under the terms of the resolution authorizing the Series 2013 A Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), dated July 19, 2005, issued in the original aggregate principal amount of \$959,015 (the "Prior Bonds").



Authorized Representative

448300.00004

1009 Bullitt Street, Charleston, WV 25301
Phone (304) 414-6500 / fax (304) 414-0865
www.wvda.org

JANE LEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2005 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

BOND RESOLUTION

Table of Contents

Subject	Page
ARTICLE I	
STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS	
Section 1.01 Authority for this Resolution	1
Section 1.02 Findings	1
Section 1.03 Bond Legislation Constitutes Contract	3
Section 1.04 Definitions	4
ARTICLE II	
AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT	
Section 2.01 Authorization of Acquisition and Construction of the Project	11
ARTICLE III	
AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT	
Section 3.01 Authorization of Bonds	12
Section 3.02 Terms of Bonds	12
Section 3.03 Execution of Bonds	13
Section 3.04 Authentication and Registration	13
Section 3.05 Negotiability, Transfer and Registration	13
Section 3.06 Bonds Mutilated, Destroyed, Stolen or Lost	14
Section 3.07 Bonds not to be Indebtedness of the Issuer	14
Section 3.08 Bonds Secured by Pledge of Net Revenues	14
Section 3.09 Delivery of Bonds	15

Section 3.10	Form of Bonds	15
	FORM OF SERIES 2005 A BOND	16
Section 3.11	Sale of Bonds; Approval and Ratification of Execution of Loan Agreement	24
Section 3.12	Filing of Amended Schedule	24

**ARTICLE IV
[RESERVED]** 25

**ARTICLE V
FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION
THEREOF**

Section 5.01	Establishment of Funds and Accounts with Depository Bank	26
Section 5.02	Establishment of Funds and Accounts with Commission	26
Section 5.03	System Revenues; Flow of Funds	26

**ARTICLE VI
BOND PROCEEDS; DISBURSEMENTS**

Section 6.01	Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds	31
Section 6.02	Disbursements From the Bond Construction Trust Fund	31

**ARTICLE VII
ADDITIONAL COVENANTS OF THE ISSUER**

Section 7.01	General Covenants of the Issuer	33
Section 7.02	Bonds not to be Indebtedness of the Issuer	33
Section 7.03	Bonds Secured by Pledge of Net Revenues	33
Section 7.04	Initial Schedule of Rates and Charges	33
Section 7.05	Sale of the System	34
Section 7.06	Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances	35
Section 7.07	Parity Bonds	35
Section 7.08	Books; Records and Audit	37
Section 7.09	Rates	39
Section 7.10	Operating Budget and Monthly Financial Report	39
Section 7.11	Engineering Services and Operating Personnel	40
Section 7.12	No Competing Franchise	40
Section 7.13	Enforcement of Collections	40
Section 7.14	No Free Services	41
Section 7.15	Insurance and Construction Bonds	41

Section 7.16	Mandatory Connections	43
Section 7.17	Completion and Operation of Project; Permits and Orders	43
Section 7.18	Tax Covenants	44
Section 7.19	Statutory Mortgage Lien	45
Section 7.20	Compliance with Loan Agreement and Law	45
Section 7.21	Securities Laws Compliance	45
Section 7.22	Contracts; Public Releases	45

**ARTICLE VIII
INVESTMENT OF FUNDS; USE OF PROCEEDS**

Section 8.01	Investments	47
Section 8.02	Certificate as to Use of Proceeds; Covenants as to Use of Proceeds	47

**ARTICLE IX
DEFAULT AND REMEDIES**

Section 9.01	Events of Default	49
Section 9.02	Remedies	49
Section 9.03	Appointment of Receiver	49

**ARTICLE X
PAYMENT OF BONDS**

Section 10.01	Payment of Bonds	51
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**ARTICLE XI
MISCELLANEOUS**

Section 11.01	Amendment or Modification of Bond Legislation	52
Section 11.02	Bond Legislation Constitutes Contract	52
Section 11.03	Severability of Invalid Provisions	52
Section 11.04	Headings, Etc.	52
Section 11.05	Conflicting Provisions Repealed	52
Section 11.06	Covenant of Due Procedure, Etc.	52
Section 11.07	Public Notice of Proposed Financing	53
Section 11.08	Effective Date	53
	SIGNATURES	54
	CERTIFICATION	55
	EXHIBIT A	56

JANE LEW PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF JANE LEW PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$959,015 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF JANE LEW PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. Jane Lew Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Lewis and Harrison Counties of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments, improvements and extensions to the existing public sewerage facilities of the Issuer, consisting of the rehabilitation of the existing wastewater collection system in Lewis and Harrison Counties in order to reduce inflow and infiltration, together with all appurtenant facilities (collectively, the "Project"), which constitute public service properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Infrastructure Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than \$959,015 (the "Series 2005 A Bonds"), to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2005 A Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Series 2005 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2005 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2005 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2005 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the respective parties (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are no outstanding bonds or obligations of the Issuer which will rank on a parity with the Series 2005 A Bonds or are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System and the principal of and interest, if any, on the Series 2005 A Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2005 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2005 A Bonds or such final order will not be subject to appeal.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2005 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2005 A Bonds, all of which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds, and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2005 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

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

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

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

"Bonds" means the Series 2005 A Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

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

"Chairman" means the Chairman of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2005 A Bonds for all or a portion of the proceeds of the Series 2005 A Bonds from the Authority.

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

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

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

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

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

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

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

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

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

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

"Grants" means all monies received by the Issuer on account of any Grant for the Project.

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

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

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

"Investment Property" means

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

"Issuer" means Jane Lew Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Lewis and Harrison counties, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2005 A Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified, by the Supplemental Resolution.

"Net Proceeds" means the face amount of the Series 2005 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2005 A Bonds Reserve Account. For purposes of the Private

Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2005 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

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

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein after defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

"Paying Agent" means the Commission or other entity designated as such for the Series 2005 A Bonds in the Supplemental Resolution.

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

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

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

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;
- (d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;
- (e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;
- (f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;
- (g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such

repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

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

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

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created herein.

"Revenue Fund" means the Revenue Fund established herein.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 2005 A Bonds" means the Issuer's Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), authorized to be issued hereby.

"Series 2005 A Bonds Construction Trust Fund" means the Series 2005 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2005 A Bonds Reserve Account" means the Series 2005 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2005 A Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2005 A Bonds in the then current or any succeeding year.

"Series 2005 A Bonds Sinking Fund" means the Series 2005 A Bonds Sinking Fund established by Section 5.02 hereof.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2005 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2005 A Bonds, and not so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 2005 A Bonds, or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account.

"System" means the complete properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewerage or industrial wastes, as presently existing in its entirety or any integral part thereof, and all sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the sewerage system; and shall also include the Project and any and all extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the sewerage system from any sources whatsoever.

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

"West Virginia Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Chairman or the Secretary shall mean that such Bonds, certificates or other document may be executed by an Acting Chairman or Acting Secretary.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project

There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost not to exceed \$959,015, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2005 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and has entered into or will enter into contracts for the acquisition and construction of the Project, in an amount compatible with the financing plan submitted to the Authority and the Council.

The cost of the Project is estimated at not to exceed \$959,015, all of which will be obtained from proceeds of the Series 2005 A Bonds.

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 2005 A Bonds, funding a reserve account for the Series 2005 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2005 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2005 A Bonds of the Issuer. The Series 2005 A Bonds shall be issued as a single bond, designated as "Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund)," in the principal amount of not more than \$959,015, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2005 A Bonds remaining after funding of the Series 2005 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest on the Series 2005 A Bonds, if any, shall be deposited in or credited to the Series 2005 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2005 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2005 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2005 A Bonds, if any, shall be paid by check or draft of the Paying Agent, or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2005 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2005 A Bonds. The Series 2005 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall have such terms as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2005 A Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2005 A Bonds shall cease to be such officer of the Issuer before the Series 2005 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2005 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2005 A Bonds 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 Bonds, substantially in the forms set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bonds shall be conclusive evidence that such Bonds have been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on the Series 2005 A Bonds shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2005 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2005 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2005 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2005 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly

authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2005 A 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 canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 2005 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer . The Series 2005 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2005 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2005 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2005 A Bonds shall be secured by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2005 A Bonds, and to

make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2005 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2005 A Bonds to the original purchasers upon receipt of the documents set forth below:

- A. If other than the Authority, a list of the names in which the Series 2005 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;
- B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2005 A Bonds to the original purchasers;
- C. An executed and certified copy of the Bond Legislation;
- D. An executed copy of the Loan Agreement; and
- E. The unqualified approving opinion of bond counsel on the Series 2005 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2005 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2005 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
JANE LEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That on this _____ day of _____, 200__, JANE LEW PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Lewis and Harrison Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS (\$ _____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 200__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2005.

This Bond is issued (i) to pay the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes

of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2005, and a Supplemental Resolution duly adopted by the Issuer on _____, 2005 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

There are no outstanding bonds or obligations of the Issuer which rank on a parity with the Bonds or are secured by revenues or assets of the System.

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, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2005 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an 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 monies in the Series 2005 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2005 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond,

together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

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

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

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

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

IN WITNESS WHEREOF, JANE LEW PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

Chairman

ATTEST:

Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is the Series 2005 A Bond 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: _____, 2005.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

(Form of)

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

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

Dated: _____, _____.

In the presence of:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2005 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman 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 Secretary 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 Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

Section 3.12. Filing of Amended Schedule. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the Council a schedule, the form of which will be provided by the Council setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank.

The following special funds or accounts are hereby created with and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2005 A Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission.

The following special funds or accounts are hereby created with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

- (1) Series 2005 A Bonds Sinking Fund; and
- (2) Series 2005 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer 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. All monies in the Revenue Fund shall be disposed of only in the following order of priority:

- (1) The Issuer shall first, each month, pay from the Revenue Fund the Operating Expenses of the System.
- (2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing 3 months prior to the first date of payment of principal of the Series 2005 A Bonds, for deposit in the Series 2005 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2005 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse

between the date of such initial deposit in the Series 2005 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing 3 months prior to the first date of payment of principal of the Series 2005 A Bonds, if not fully funded upon issuance of the Series 2005 A Bonds, for deposit in the Series 2005 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2005 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2005 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 2005 A Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund an amount equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Accounts. 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 reinvest in Qualified Investments. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2005 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2005 A Bonds, as the same shall become due. Monies in the Series 2005 A Bonds Reserve Account shall, be used only for the purpose of paying principal of and interest, if any, on the Series 2005 A Bonds, as the same shall come due, when other monies in the Series 2005 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2005 A Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2005 A Bonds, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2005 A Bonds Reserve Account which result in a reduction in the balance therein to below the Series 2005 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2005 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2005 A Bonds Sinking Fund or the Series 2005 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2005 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall, be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2005 A Bonds Sinking Fund and the Series 2005 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2005 A Bonds, under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve payments with respect to the Series 2005 A Bonds and

all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

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

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

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

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

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

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2005 A Bonds Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2005 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2005 A Bonds, there shall first be deposited with the Commission in the Series 2005 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2005 A Bonds for the period commencing on the date of issuance of the Series 2005 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2005 A Bonds, there shall be deposited with the Commission in the Series 2005 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2005 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2005 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2005 A Bonds Construction Trust Fund and applied solely to payment of the costs of the acquisition and construction of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2005 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2005 A Bonds shall be applied as directed by the Council.

Section 6.02. Disbursements From the Bond Construction Trust Fund. The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments of all costs shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2005 A Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

- (b) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;
- (c) Each of such costs has been otherwise properly incurred; and
- (d) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2005 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2005 A Bonds within 3 years of the date of issuance of the Council's Bonds, the proceeds of which were used to make the loan to the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2005 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2005 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2005 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2005 A Bond shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2005 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2005 A Bonds shall be secured by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2005 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in and approved by the Final Order of the Public Service Commission of West Virginia entered on July 12, 2004, in case number 04-0139-PSD-CN, and such rates are hereby adopted.

So long as the Series 2005 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2005 A Bonds shall prove to be insufficient to produce the required sums set forth in

this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2005 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2005 A Bonds, immediately be remitted to the Commission for deposit in the Series 2005 A Bonds Sinking Fund, and, with the written permission of the Authority and the Council, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2005 A Bonds. Any balance remaining after the payment of the Series 2005 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine upon consultation with a professional engineer 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 in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into such account 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 the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2005 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2005 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, and source of and security for payment from such revenues and in all other respects, to the Series 2005 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2005 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2005 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2005 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2005 A Bonds.

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

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

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the time for appeal of which shall have expired prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the time for appeal of which shall have expired prior to issuance of such Parity Bonds.

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. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2005 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from 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 2005 A Bonds.

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

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

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

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

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

The Issuer shall file with the Council, the Authority, or any other original purchaser of the Series 2005 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2005 A Bonds, requesting the same, an annual report containing the following:

- (A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.
- (B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.
- (C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2005 A Bonds, and shall submit said report to the Council and the Authority, or any other original purchaser of the Series 2005 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

The Issuer shall permit the Authority and the Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operation of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably

necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2005 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be 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 Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Series 2005 A Bonds Reserve Account and the reserve accounts for obligations on a parity with the Series 2005 A Bonds are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2005 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2005 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall within 30 days of adoption thereof mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and

maintenance to the Authority and the Council and to any Holder of any Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority and the Council and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

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

Section 7.11. Engineering Services and Operating Personnel. The Issuer shall obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

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

The Issuer shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of the Loan Agreement.

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

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

the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, 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 the water system or the System until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the waterworks facilities are not owned by the Issuer, the Issuer shall use diligent efforts to enter into a termination agreement with the provider of such water services, subject to any required approval of such agreements by the Public Service Commission of West Virginia.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2005 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

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

hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the 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 OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing 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 any additions, extensions or improvements for the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

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

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

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

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

security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided that the amounts and terms of such coverage are satisfactory to the Authority and the Council. 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. The Issuer shall verify such insurance prior to commencement of construction.

Section 7.16. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

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

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer shall complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and State requirements and standards. The Issuer shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2005 A Bonds are outstanding.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for issuance of the Series 2005 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal.

Section 7.18. Tax Covenants. The Issuer hereby further covenants and agrees as follows:

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Series 2005 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2005 A Bonds during the term thereof is, under the terms of the Series 2005 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed monies used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2005 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2005 A Bonds during the term thereof is, under the terms of the Series 2005 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed monies used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2005 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2005 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% or \$5,000,000 of the Net Proceeds of the Series 2005 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2005 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. If required, the Issuer shall file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2005 A Bonds and the interest, if any, thereon, including, without limitation, the information return required under Section 149(e), if any, of the Code.

E. FURTHER ACTIONS. The Issuer shall take any and all actions that may be required of it (including, without limitation, those deemed necessary by the Authority) so that the interest, if any, on the Series 2005 A Bonds will be and remain excludable from gross income for federal income tax purposes, and shall not take any actions or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2005 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, and shall take effect immediately upon delivery of the Series 2005 A Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority.

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

Section 7.21. Securities Laws Compliance. The Issuer shall provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2005 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2005 A Bonds held in "contingency" as set forth in the schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2005 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS; USE OF PROCEEDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2005 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2005 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to the Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2005 A Bonds as a condition to issuance of the Series 2005 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2005 A Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2005 A Bonds which would cause any bonds, the

interest on which is exempt from federal income taxation under Section 103(a) of the Code; issued by the Authority or the Council, as the case may be, from which the proceeds of the Series 2005 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the Council, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2005 A Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2005 A Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2005 A Bonds; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2005 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2005 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, or Paying Agent, or any other Paying Agent or a Holder of a Bond; or
- (3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Series 2005 A Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Series 2005 A Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Series 2005 A Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2005 A Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2005 A Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right

by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and construction of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2005 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2005 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2005 A Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2005 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2005 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2005 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest, if any, on the Series 2005 A Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution 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 Resolution, the Supplemental Resolution, or the Series 2005 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to

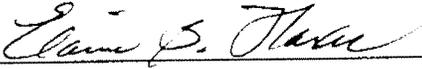
be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 11.07. Public Notice of Proposed Financing. Prior to making formal application to the Public Service Commission of West Virginia for a certificate of public convenience and necessity and adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation in each municipality in Jane Lew Public Service District and within the boundaries of the District, a Class II legal advertisement stating:

- (a) The maximum amount of the Series 2005 A Bonds to be issued;
- (b) The maximum interest rate and terms of the Series 2005 A Bonds authorized hereby;
- (c) The public service properties to be acquired or constructed and the cost of the same;
- (d) The maximum anticipated rates which will be charged by the Issuer; and
- (e) The date that the formal application for a certificate of public convenience and necessity is to be filed with the Public Service Commission of West Virginia.

Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 14th day of July, 2005.



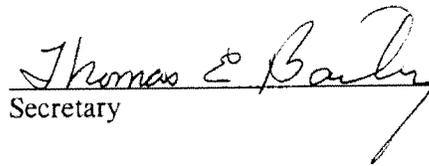
Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board
of JANE LEW PUBLIC SERVICE DISTRICT on the 14th day of July, 2005.

Dated: July 19, 2005.

[SEAL]


Secretary

05/12/05
448300.00002

EXHIBIT A

Loan Agreement included in bond transcript as Document 3.

JANE LEW PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2005 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF JANE LEW PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Jane Lew Public Service District (the "Issuer") has duly and officially adopted a bond resolution on July 14, 2005, (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF JANE LEW PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$959,015 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2005 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND

DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds" or "Series 2005 A Bonds"), in the principal amount not to exceed \$959,015, and has authorized the execution and delivery of the loan agreement relating to the Series 2005 A Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale 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 2005 A Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates, the sale price and other terms 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 JANE LEW PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2005 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$959,015. The Series 2005 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2045, and shall bear no interest. The principal of the Series 2005 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2006, and maturing June 1, 2045, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2005 A Bonds. The Series 2005 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2005 A Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the application to the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2005 A Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2005 A Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate Progressive Bank, Buckhannon, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2005 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2005 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2005 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2005 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2005 A Bonds, as advanced from time to time, shall be deposited in or credited to the Series 2005 A Bonds Construction Trust Fund for payment of the costs of the acquisition and construction of the Project, including, without limitation, costs of issuance of the Series 2005 A Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2005 A Bonds may be delivered on or about July 19, 2005, to the Authority pursuant to the Loan Agreement.

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

Section 12. The Issuer hereby determines that it is in the best interest of the Issuer to invest all monies in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, subject to any limitation of the Purchaser with respect of the proceeds of the Bonds, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Monies in the Series 2005 A Bonds Sinking Fund and the Series 2005 A Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

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

Adopted this 14th day of July, 2005.

JANE LEW PUBLIC SERVICE DISTRICT

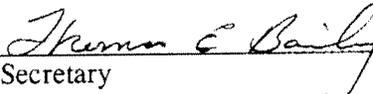
By: *Elaine S. Hines*
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Jane Lew Public Service District on this 14th day of July, 2005.

Dated: July 19, 2005.

[SEAL]


Secretary

05/12/05
448300.00002

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
JANE LEW PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 2005 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$959,015

KNOW ALL MEN BY THESE PRESENTS: That on this the 19th day of July, 2005, JANE LEW PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Lewis and Harrison Counties 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 NINE HUNDRED FIFTY-NINE THOUSAND FIFTEEN DOLLARS (\$959,015), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2006, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated July 18, 2005.

This Bond is issued (i) to pay the costs of acquisition and construction of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on July 14, 2005, and a Supplemental Resolution duly adopted by the Issuer on July 14, 2005 (collectively, the "Bond Legislation"), and is subject

to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

There are no outstanding bonds or obligations of the Issuer which rank on a parity with the Bonds or are secured by revenues or assets of the System.

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, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2005 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an 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 monies in the Series 2005 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2005 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

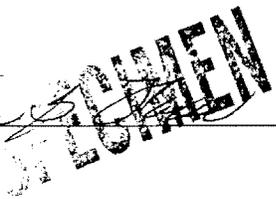
All monies received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation,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

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

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

IN WITNESS WHEREOF, JANE LEW PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date written above.

[SEAL]


Chairman 

ATTEST:

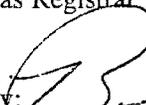

Secretary 

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is the Series 2005 A Bond 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: July 19, 2005.

THE HUNTINGTON NATIONAL BANK,
as Registrar

By: 
Its: Authorized Officer

SPECIMEN

EXHIBIT A
RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$132,321	July 19, 2005	(19) \$	
(2) \$		(20) \$	
(3) \$		(21) \$	
(4) \$		(22) \$	
(5) \$		(23) \$	
(6) \$		(24) \$	
(7) \$		(25) \$	
(8) \$		(26) \$	
(9) \$		(27) \$	
(10) \$		(28) \$	
(11) \$		(29) \$	
(12) \$		(30) \$	
(13) \$		(31) \$	
(14) \$		(32) \$	
(15) \$		(33) \$	
(16) \$		(34) \$	
(17) \$		(35) \$	
(18) \$		(36) \$	

TOTAL \$ _____

EXHIBIT B

DEBT SERVICE SCHEDULE

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Total P+I</u>
09/01/2005	-	-	-
12/01/2005	-	-	-
03/01/2006	-	-	-
06/01/2006	-	-	-
09/01/2006	6,147.54	-	6,147.54
12/01/2006	6,147.54	-	6,147.54
03/01/2007	6,147.54	-	6,147.54
06/01/2007	6,147.54	-	6,147.54
09/01/2007	6,147.54	-	6,147.54
12/01/2007	6,147.54	-	6,147.54
03/01/2008	6,147.54	-	6,147.54
06/01/2008	6,147.54	-	6,147.54
09/01/2008	6,147.54	-	6,147.54
12/01/2008	6,147.54	-	6,147.54
03/01/2009	6,147.54	-	6,147.54
06/01/2009	6,147.54	-	6,147.54
09/01/2009	6,147.54	-	6,147.54
12/01/2009	6,147.54	-	6,147.54
03/01/2010	6,147.54	-	6,147.54
06/01/2010	6,147.54	-	6,147.54
09/01/2010	6,147.54	-	6,147.54
12/01/2010	6,147.54	-	6,147.54
03/01/2011	6,147.54	-	6,147.54
06/01/2011	6,147.54	-	6,147.54
09/01/2011	6,147.54	-	6,147.54
12/01/2011	6,147.54	-	6,147.54
03/01/2012	6,147.54	-	6,147.54
06/01/2012	6,147.54	-	6,147.54
09/01/2012	6,147.54	-	6,147.54
12/01/2012	6,147.54	-	6,147.54
03/01/2013	6,147.54	-	6,147.54
06/01/2013	6,147.54	-	6,147.54
09/01/2013	6,147.54	-	6,147.54
12/01/2013	6,147.54	-	6,147.54
03/01/2014	6,147.54	-	6,147.54
06/01/2014	6,147.54	-	6,147.54
09/01/2014	6,147.53	-	6,147.53
12/01/2014	6,147.53	-	6,147.53
03/01/2015	6,147.53	-	6,147.53
06/01/2015	6,147.53	-	6,147.53
09/01/2015	6,147.53	-	6,147.53
12/01/2015	6,147.53	-	6,147.53
03/01/2016	6,147.53	-	6,147.53
06/01/2016	6,147.53	-	6,147.53

Date	Principal	Coupon	Total P+I
09/01/2016	6,147.53	-	6,147.53
12/01/2016	6,147.53	-	6,147.53
03/01/2017	6,147.53	-	6,147.53
06/01/2017	6,147.53	-	6,147.53
09/01/2017	6,147.53	-	6,147.53
12/01/2017	6,147.53	-	6,147.53
03/01/2018	6,147.53	-	6,147.53
06/01/2018	6,147.53	-	6,147.53
09/01/2018	6,147.53	-	6,147.53
12/01/2018	6,147.53	-	6,147.53
03/01/2019	6,147.53	-	6,147.53
06/01/2019	6,147.53	-	6,147.53
09/01/2019	6,147.53	-	6,147.53
12/01/2019	6,147.53	-	6,147.53
03/01/2020	6,147.53	-	6,147.53
06/01/2020	6,147.53	-	6,147.53
09/01/2020	6,147.53	-	6,147.53
12/01/2020	6,147.53	-	6,147.53
03/01/2021	6,147.53	-	6,147.53
06/01/2021	6,147.53	-	6,147.53
09/01/2021	6,147.53	-	6,147.53
12/01/2021	6,147.53	-	6,147.53
03/01/2022	6,147.53	-	6,147.53
06/01/2022	6,147.53	-	6,147.53
09/01/2022	6,147.53	-	6,147.53
12/01/2022	6,147.53	-	6,147.53
03/01/2023	6,147.53	-	6,147.53
06/01/2023	6,147.53	-	6,147.53
09/01/2023	6,147.53	-	6,147.53
12/01/2023	6,147.53	-	6,147.53
03/01/2024	6,147.53	-	6,147.53
06/01/2024	6,147.53	-	6,147.53
09/01/2024	6,147.53	-	6,147.53
12/01/2024	6,147.53	-	6,147.53
03/01/2025	6,147.53	-	6,147.53
06/01/2025	6,147.53	-	6,147.53
09/01/2025	6,147.53	-	6,147.53
12/01/2025	6,147.53	-	6,147.53
03/01/2026	6,147.53	-	6,147.53
06/01/2026	6,147.53	-	6,147.53
09/01/2026	6,147.53	-	6,147.53
12/01/2026	6,147.53	-	6,147.53
03/01/2027	6,147.53	-	6,147.53
06/01/2027	6,147.53	-	6,147.53

Date	Principal	Coupon	Total P+I
09/01/2027	6,147.53	-	6,147.53
12/01/2027	6,147.53	-	6,147.53
03/01/2028	6,147.53	-	6,147.53
06/01/2028	6,147.53	-	6,147.53
09/01/2028	6,147.53	-	6,147.53
12/01/2028	6,147.53	-	6,147.53
03/01/2029	6,147.53	-	6,147.53
06/01/2029	6,147.53	-	6,147.53
09/01/2029	6,147.53	-	6,147.53
12/01/2029	6,147.53	-	6,147.53
03/01/2030	6,147.53	-	6,147.53
06/01/2030	6,147.53	-	6,147.53
09/01/2030	6,147.53	-	6,147.53
12/01/2030	6,147.53	-	6,147.53
03/01/2031	6,147.53	-	6,147.53
06/01/2031	6,147.53	-	6,147.53
09/01/2031	6,147.53	-	6,147.53
12/01/2031	6,147.53	-	6,147.53
03/01/2032	6,147.53	-	6,147.53
06/01/2032	6,147.53	-	6,147.53
09/01/2032	6,147.53	-	6,147.53
12/01/2032	6,147.53	-	6,147.53
03/01/2033	6,147.53	-	6,147.53
06/01/2033	6,147.53	-	6,147.53
09/01/2033	6,147.53	-	6,147.53
12/01/2033	6,147.53	-	6,147.53
03/01/2034	6,147.53	-	6,147.53
06/01/2034	6,147.53	-	6,147.53
09/01/2034	6,147.53	-	6,147.53
12/01/2034	6,147.53	-	6,147.53
03/01/2035	6,147.53	-	6,147.53
06/01/2035	6,147.53	-	6,147.53
09/01/2035	6,147.53	-	6,147.53
12/01/2035	6,147.53	-	6,147.53
03/01/2036	6,147.53	-	6,147.53
06/01/2036	6,147.53	-	6,147.53
09/01/2036	6,147.53	-	6,147.53
12/01/2036	6,147.53	-	6,147.53
03/01/2037	6,147.53	-	6,147.53
06/01/2037	6,147.53	-	6,147.53
09/01/2037	6,147.53	-	6,147.53
12/01/2037	6,147.53	-	6,147.53
03/01/2038	6,147.53	-	6,147.53
06/01/2038	6,147.53	-	6,147.53

Date	Principal	Coupon	Total P+I
09/01/2038	6,147.53	-	6,147.53
12/01/2038	6,147.53	-	6,147.53
03/01/2039	6,147.53	-	6,147.53
06/01/2039	6,147.53	-	6,147.53
09/01/2039	6,147.53	-	6,147.53
12/01/2039	6,147.53	-	6,147.53
03/01/2040	6,147.53	-	6,147.53
06/01/2040	6,147.53	-	6,147.53
09/01/2040	6,147.53	-	6,147.53
12/01/2040	6,147.53	-	6,147.53
03/01/2041	6,147.53	-	6,147.53
06/01/2041	6,147.53	-	6,147.53
09/01/2041	6,147.53	-	6,147.53
12/01/2041	6,147.53	-	6,147.53
03/01/2042	6,147.53	-	6,147.53
06/01/2042	6,147.53	-	6,147.53
09/01/2042	6,147.53	-	6,147.53
12/01/2042	6,147.53	-	6,147.53
03/01/2043	6,147.53	-	6,147.53
06/01/2043	6,147.53	-	6,147.53
09/01/2043	6,147.53	-	6,147.53
12/01/2043	6,147.53	-	6,147.53
03/01/2044	6,147.53	-	6,147.53
06/01/2044	6,147.53	-	6,147.53
09/01/2044	6,147.53	-	6,147.53
12/01/2044	6,147.53	-	6,147.53
03/01/2045	6,147.53	-	6,147.53
06/01/2045	6,147.53	-	6,147.53
Total	\$959,015.00	-	\$959,015.00

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:
