

**UPPER KANAWHA VALLEY  
PUBLIC SERVICE DISTRICT**

**Consolidation of London Public Service District  
and Paint Creek Public Service District**

**CONSOLIDATION TRANSCRIPT**

**STEPTOE & JOHNSON PLLC**

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**UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT**

**Consolidation of London Public Service District and  
Paint Creek Public Service District**

**CONSOLIDATION TRANSCRIPT**

**Table of Contents**

**BASIC DOCUMENTS**

1. County Commission Resolution Proposing Consolidation of Districts
2. County Commission Public Notice of Hearing
3. County Commission Resolution Consolidating Districts
4. Public Service Commission Order
5. Upper Kanawha Valley Public Service District Resolution Ratifying Consolidation of Districts and Assumption of Debt

**DOCUMENTS OF CONVEYANCE OF PAINT CREEK PUBLIC SERVICE DISTRICT**

6. Confirmatory Quitclaim Deed of Paint Creek Public Service District
7. Confirmatory Bill of Sale of Paint Creek Public Service District
8. Confirmatory Assignment of Rights of Way and Easements of Paint Creek Public Service District
9. Confirmatory Assignment of Judgements of Paint Creek Public Service District
10. (A) Assumption Agreement (Paint Creek Public Service District)

- (B) Canceled Paint Creek Public Service District Design Note
- (C) Specimen Amended Design Note

**DOCUMENTS OF CONVEYANCE OF LONDON PUBLIC SERVICE DISTRICT**

- 11. Confirmatory Quitclaim Deed of London Public Service District
- 12. Confirmatory Bill of Sale of London Public Service District
- 13. Confirmatory Assignment of Rights of Way and Easements of London Public Service District
- 14. Confirmatory Assignment of Judgements of London Public Service District
- 15. (A) Assumption Agreement (London Public Service District)  
(B) Canceled London Public Service District Design Note  
(C) Specimen Amended Design Note

**OPINION OF COUNSEL**

- 16. Approving Opinion of Steptoe & Johnson, Bond Counsel

**DOCUMENTS OF CREDITORS**

- 17. Consent of GMAC Commercial Mortgage to Consolidation
- 18. Consent of West Virginia Water Development Authority to Consolidation

10/19/99  
924750/99001



97-0926 - H. W. L. H.

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JUL 21 1997

At a Regular Session of the County Commission of Kanawha County, West Virginia, held at the Courthouse thereof, on the Seventeenth day of July, 1997, the following order was

WATER & WASTEWATER DIVISION

made and entered:

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97 JUL 24 PM 3:29  
W VA PUBLIC SERVICE COMMISSION SECRETARY'S OFFICE

SUBJECT: CONSOLIDATION OF PAINT CREEK AND LONDON PUBLIC SERVICE DISTRICTS; PUBLIC HEARING

The following motion was offered by W. Kent Carper Commissioner \_\_\_\_\_:

Pursuant to West Virginia Code §16-13a-2, the County Commission of Kanawha County, West Virginia proposes a consolidation of the London Public Service District and the Paint Creek Public Service District, as shown by description attached hereto and incorporated as part of this order;

The County Commission of Kanawha County, West Virginia further ORDERS that a public hearing be held to discuss this issue on the 14th day of August, 1997, at 5:00 p.m.;

The County Commission of Kanawha County, West Virginia further ORDERS the County Clerk of Kanawha County to cause notice of the public hearing, attached hereto and incorporated into this order, in the form of a Class I legal advertisement, in accordance with the requirements of West Virginia Code §59-3-2, and further ORDERS that notice be published in five (5) conspicuous places in the London Public Service District and five (5) conspicuous places in the Paint Creek Public Service District.

The adoption of the foregoing motion having been moved by W. Kent Carper, Commissioner, and duly seconded by Louis H. Bloom,

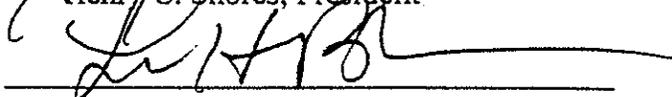
Commissioner, the vote thereon was as follows:

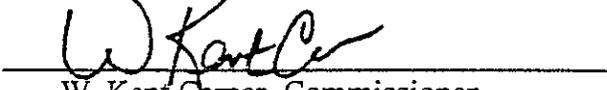
- Henry C. Shores, President      Aye
- Louis H. Bloom, Commissioner      Aye
- W. Kent Carper, Commissioner      Aye

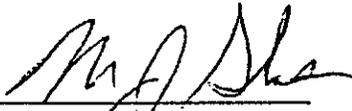
WHEREUPON, Henry C. Shores, President, declared said motion duly adopted;

and it is therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

  
Henry C. Shores, President

  
Louis H. Bloom, Commissioner

  
W. Kent Carper, Commissioner

Approved By:   
County Attorney

DESCRIPTION OF LAND TO BE INCLUDED IN THE CONSOLIDATED LONDON/PAINT  
CREEK PUBLIC SERVICE DISTRICT

Beginning at the northwestern end of the lock wall along the Kanawha river Bank of the London Locks proceeding upstream along the northern bank of the Kanawha River approximately 7400 feet to a point on the existing London Public Service District boundary;

Thence, next 30 calls proceeding along existing London Public Service District boundary, northeasterly approximately 5400 feet to a ridge top of elevation 1641;

Thence, proceeding northeasterly approximately 4500 feet to a hilltop of elevation 1542;

Thence, proceeding easterly approximately 2900 feet to a hilltop of elevation 1528;

Thence, proceeding northerly approximately 4000 feet to a hilltop;

Thence, proceeding easterly approximately 1600 feet to a hilltop;

Thence, proceeding northwesterly approximately 2800 feet to a hilltop of elevation 1580;

Thence, proceeding northeasterly approximately 7100 feet to a hilltop of elevation 1652;

Thence, proceeding easterly approximately 1900 feet to a hilltop;

Thence, proceeding south easterly approximately 2200 feet to a hilltop of elevation 1600;

Thence, proceeding northeasterly approximately 2400 feet to a hilltop of elevation 1608;

Thence, proceeding northwesterly approximately 1950 feet to a hilltop;

Thence, proceeding southwesteryly approximately 1600 feet to a hilltop;

Thence, proceeding northwesterly approximately 3200 feet to a hilltop of elevation 1742;

Thence, proceeding northeasterly approximately 4000 feet to a hilltop;

Thence, proceeding northwesterly approximately 2300 feet to a hilltop;

Thence, proceeding northerly approximately 1600 feet to a hilltop;

Thence, proceeding westerly approximately 3450 feet to a hilltop;

Thence, proceeding northwesterly approximately 2300 feet to a hilltop;

Thence, proceeding southerly approximately 1500 feet to a hilltop;

Thence, proceeding westerly approximately 1900 feet to a hilltop;

Thence, proceeding southwesterly approximately 3000 feet to a hilltop;

Thence, proceeding southerly approximately 3600 feet to a hilltop;

Thence, proceeding southerly approximately 1450 feet to a hilltop of elevation 1600;

Thence, proceeding southerly approximately 1300 feet to a hilltop of elevation 1687;

Thence, proceeding westerly approximately 5500 feet to a hilltop of elevation 1612;

Thence, proceeding southwesterly approximately 3200 feet to a hilltop of elevation 1665;

Thence, proceeding southwesterly approximately 6600 feet to a hilltop of elevation 1560;

Thence, proceeding southeasterly approximately 2800 feet to a hilltop of elevation 1592;

Thence, proceeding southwesterly approximately 2900 feet to a navigation light on the eastern bank of the Kanawha River near River Mile 81.

Thence, leaving the existing London Public Service District boundary and proceeding along the same line crossing the Kanawha River approximately 800 feet to a point on the southern bank of the Kanawha River;

Thence, following the southern bank of the Kanawha River and down the river approximately 11,600 feet to a navigation light on the bank of the Kanawha River;

Thence, proceeding southwesterly approximately 3200 feet to a ridge top of elevation 1440;

Thence, proceeding easterly approximately 4450 to a point, said point being on the existing Paint Creek Public Service District boundary and having a Latitude of North  $38^{\circ} 1.1 39$  and a Longitude of  $81^{\circ} 24 32$ ;

Thence, proceeding along existing Paint Creek Public Service District boundary, South 20,120 feet to a point;

Thence, proceeding along existing Paint Creek Public Service District boundary South  $60^{\circ} 00$  East 2500 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District boundary North 1700 feet and crossing the WV Route 83 to a point;

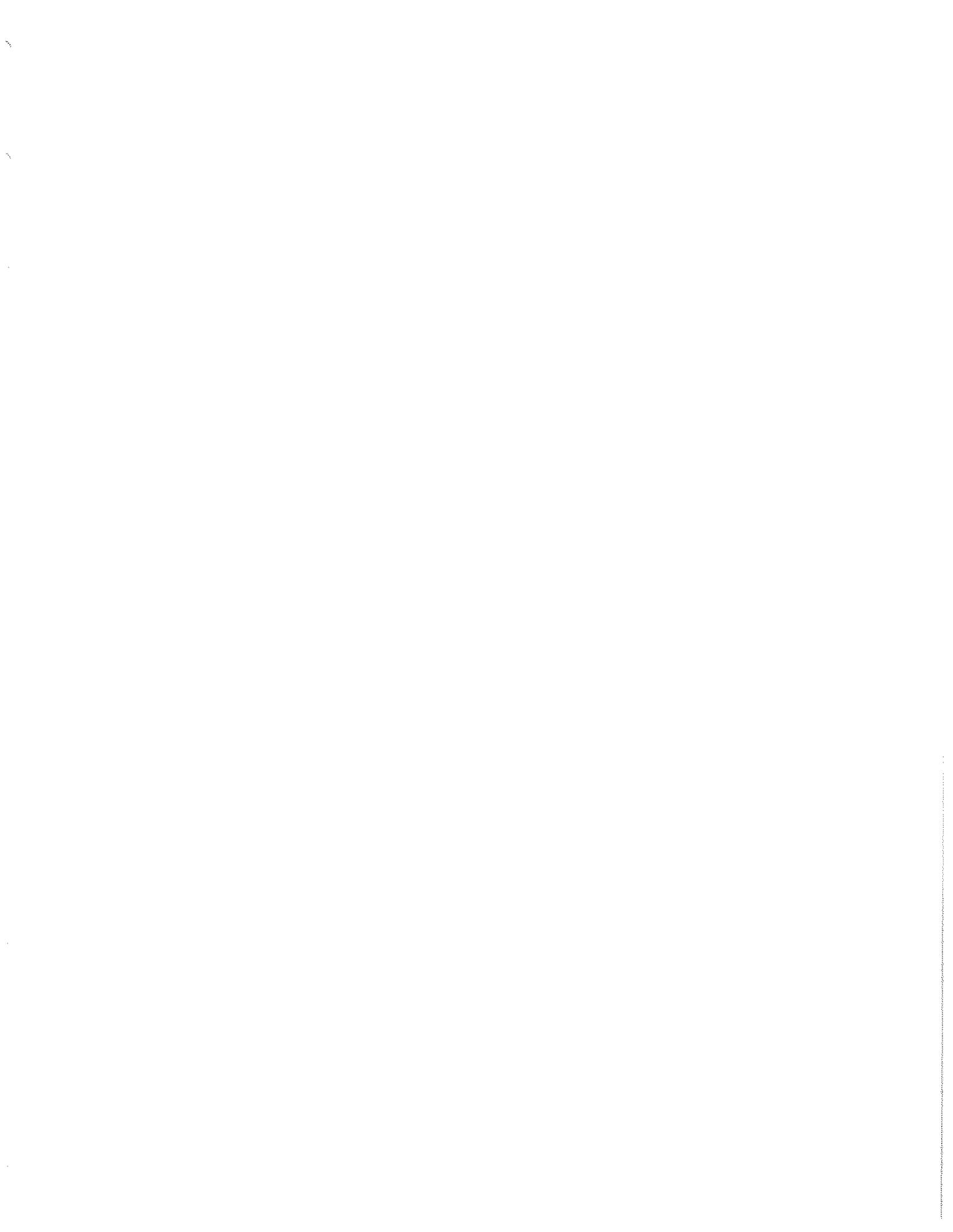
Thence, proceeding along existing Pain Creek Public Service District West 300 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District North 18,000 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District East 1500 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District North 3000 feet to a point;

Thence, proceeding easterly and leaving the existing Paint Creek Public Service District boundary and on the way crossing the WV Route 61 and the Kanawha River approximately 5150 feet to the point of beginning comprising 12.61 square miles. Excepted from the above is Corporation of Pratt.



PUBLIC NOTICE

A PUBLIC MEETING will be held Thursday, August 14, 1997,  
1997 at 5:00 p.m. in the Kanawha County Commission Courtroom, Kanawha County  
Courthouse, Charleston, West Virginia.

The purpose of the meeting will be to discuss the proposal by the County Commission of  
Kanawha County concerning consolidation of the London Public Service District and the Paint  
Creek Public Service District, described as follows:

Beginning at the northwestern end of the lock wall along the Kanawha river Bank of the London  
Locks proceeding upstream along the northern bank of the Kanawha River approximately 7400 feet  
to a point on the existing London Public Service District boundary;

Thence, next 30 calls proceeding along existing London Public Service District boundary,  
northeasterly approximately 5400 feet to a ridge top of elevation 1641;

Thence, proceeding northeasterly approximately 4500 feet to a hilltop of elevation 1542;

Thence, proceeding easterly approximately 2900 feet to a hilltop of elevation 1528;

Thence, proceeding northerly approximately 4000 feet to a hilltop;

Thence, proceeding easterly approximately 1600 feet to a hilltop;

Thence, proceeding northwesterly approximately 2800 feet to a hilltop of elevation 1580;

Thence, proceeding northeasterly approximately 7100 feet to a hilltop of elevation 1652;

Thence, proceeding easterly approximately 1900 feet to a hilltop;

Thence, proceeding south easterly approximately 2200 feet to a hilltop of elevation 1600;

Thence, proceeding northeasterly approximately 2400 feet to a hilltop of elevation 1608;

Thence, proceeding northwesterly approximately 1950 feet to a hilltop;

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Thence, proceeding southwestly approximately 3000 feet to a hilltop;

Thence, proceeding southerly approximately 3600 feet to a hilltop;

Thence, proceeding southerly approximately 1450 feet to a hilltop of elevation 1600;

Thence, proceeding southerly approximately 1300 feet to a hilltop of elevation 1687;

Thence, proceeding westerly approximately 5500 feet to a hilltop of elevation 1612;

Thence, proceeding southwestly approximately 3200 feet to a hilltop of elevation 1665;

Thence, proceeding southwestly approximately 6600 feet to a hilltop of elevation 1560;

Thence, proceeding southeasterly approximately 2800 feet to a hilltop of elevation 1592;

Thence, proceeding southwestly approximately 2900 feet to a navigation light on the eastern bank of the Kanawha River near River Mile 81.

Thence, leaving the existing London Public Service District boundary and proceeding along the same line crossing the Kanawha River approximately 800 feet to a point on the southern bank of the Kanawha River;

Thence, following the southern bank of the Kanawha River and down the river approximately 11,600 feet to a navigation light on the bank of the Kanawha River;

Thence, proceeding southwestly approximately 3200 feet to a ridge top of elevation 1440;

Thence, proceeding easterly approximately 4450 to a point, said point being on the existing Paint Creek Public Service District boundary and having a Latitude of North  $38^{\circ} 1.1 39$  and a Longitude of  $81^{\circ} 24 32$ ;

Thence, proceeding along existing Paint Creek Public Service District boundary, South 20,120 feet to a point;

Thence, proceeding along existing Paint Creek Public Service District boundary South 60° 00 East 2500 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District boundary North 1700 feet and crossing the WV Route 83 to a point;

Thence, proceeding along existing Pain Creek Public Service District West 300 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District North 18,000 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District East 1500 feet to a point;

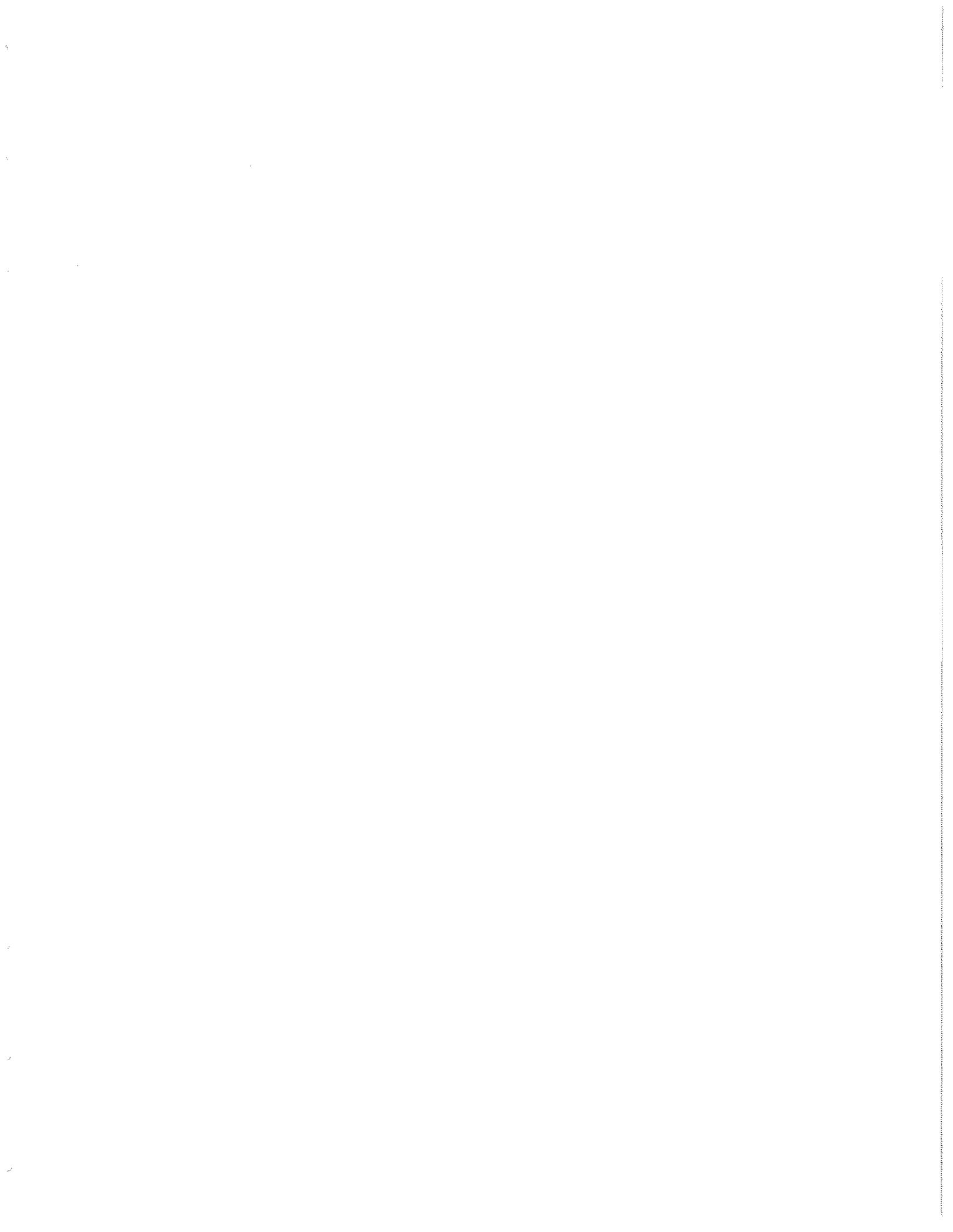
Thence, proceeding along existing Pain Creek Public Service District North 3000 feet to a point;

Thence, proceeding easterly and leaving the existing Paint Creek Public Service District boundary and on the way crossing the WV Route 61 and the Kanawha River approximately 5150 feet to the point of beginning comprising 12.61 square miles. Excepted from the above is Corporation of Pratt.

Henry C. Shores, President

Louis H. Bloom, Commissioner

W. Kent Carper, Commissioner



*Gloss*

97-0926-PSL DAK

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SEP 3 - 1997

At a Regular Session of the County Commission of Kanawha County, West Virginia

WATER & WASTEWATER DIVISION

held at the Courthouse thereof, on the 28th day of August, 1997, the following order was made

and entered:

SUBJECT: ORDER IN THE MATTER OF THE CONSOLIDATION OF PAINT CREEK AND LONDON PUBLIC SERVICE DISTRICTS

The following motion was offered by Louis H. Bloom

Commissioner:

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7 SEP - 3 P11 3:09  
SECRETARY'S OFFICE

Pursuant to 16-3A-2 (a) the County Commission of Kanawha County, West Virginia proposed the consolidation of the London Public Service District and the Paint Creek Public Service District, by order dated July 17, 1997.

By the same order the County Commission ordered a public hearing on August 14, 1997, at 5:00 p.m. The County Commission further ordered that the public hearing be advertised as a Class I Publication, which affidavit is attached hereto and made a part hereof, and did further order that notice be posted in five (5) conspicuous places in both district, which is evidenced by an affidavit attached and made a part hereof. Said hearing was held and there were no objections to the proposed consolidation;

The County Commission of Kanawha County, West Virginia does hereby FIND that the consolidation of the London Public Service District and the Paint Creek Public Service District would be conducive to the preservation of public health, comfort and convenience for that area; and does further ORDER that London Public Service District and Paint Creek Public Service District be consolidated upon approval of the Public Service Commission to encompass an area as shown on the legal description attached hereto and made a part hereof.

The adoption of the foregoing motion having been moved by Louis H. Bloom, Commissioner, and duly seconded by W. Kent Carper, Commissioner, the vote thereon

was as follows:

Henry C. Shores, President \_\_\_\_\_

Louis H. Bloom, Commissioner Aye

W. Kent Carper, Commissioner Aye

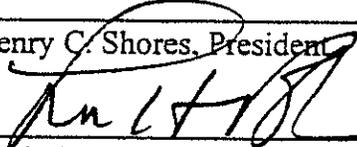
*Legal WWD*

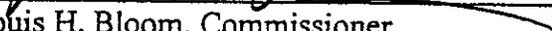
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SEP 4 1997

WHEREUPON, W. Kent Carper, <sup>Pro Tempore</sup> President, declared said motion duly adopted; and it is

therefore ADJUDGED and ORDERED that said motion be, and the same is hereby adopted.

  
\_\_\_\_\_  
Henry C. Shores, President

  
\_\_\_\_\_  
Louis H. Bloom, Commissioner

  
\_\_\_\_\_  
W. Kent Carper, Commissioner

Approved By: 

\_\_\_\_\_  
County Attorney

DESCRIPTION OF LAND TO BE INCLUDED IN THE CONSOLIDATED LONDON/PAINT  
CREEK PUBLIC SERVICE DISTRICT

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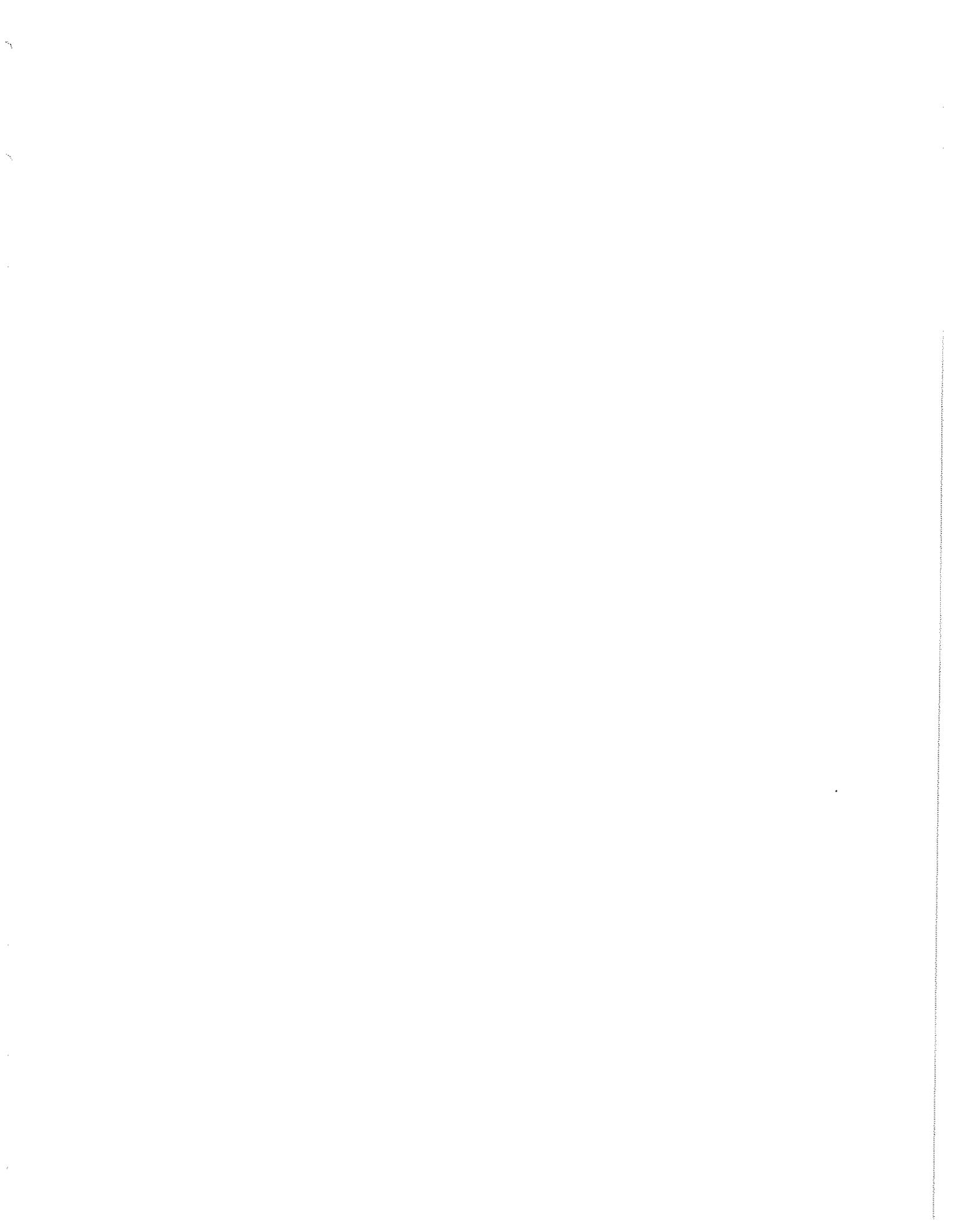
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Thence, proceeding along existing Pain Creek Public Service District North 18,000 feet to a point;

Thence, proceeding along existing Pain Creek Public Service District East 1500 feet to a point;

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Thence, proceeding easterly and leaving the existing Paint Creek Public Service District boundary and on the way crossing the WV Route 61 and the Kanawha River approximately 5150 feet to the point of beginning comprising 12.61 square miles. Excepted from the above is Corporation of Pratt.



PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

Entered: November 20, 1997

FINAL

12-10-97

CASE NO. 97-0926-PSWD-PC

KANAWHA COUNTY COMMISSION

Petition for consent and approval to  
consolidate London Public Service  
District with Paint Creek Public  
Service District.

RECOMMENDED DECISION

On July 21, 1997, the Kanawha County Commission filed a petition to consolidate the London Public Service District with Paint Creek Public Service District, pursuant to West Virginia Code §16-13A-2.

By Order dated August 4, 1997, this matter was referred to the Division of Administrative Law Judges for a decision be rendered on or before February 16, 1998.

On September 3, 1997, the Kanawha County Commission filed its Order of August 28, 1997, actually consolidating the two public service districts, subject to Public Service Commission approval.

On September 9, 1997, Staff Attorney Cassius H. Toon, filed the Final Joint Staff Memorandum to which was attached the Further Final Internal Memorandum of Mr. Randy Lengyel, Utilities Analyst, Water and Wastewater Division. Messrs. Toon and Lengyel advised that the consolidation will not affect the corporation of Pratt. In accordance with the provisions of West Virginia Code §16-13A-2, the Kanawha County Commission held a public hearing on August 14, 1997, to address the proposed consolidation and provide an opportunity for the public to voice any objection or support. The County Commission Order included the metes and bounds of the proposed consolidation of the Districts' boundaries. Affidavits of publication and public posting were attached to the County Commission's petition. Staff indicated that the proposed consolidation of the boundaries will not infringe or encroach on any other utility's operations. Staff opined that the Kanawha County Commission has sufficiently satisfied the requirements as set forth in West Virginia Code §16-13A-2 and recommended approval of the County Commission's petition to consolidate the London Public Service District with the Paint Creek Public Service District, subject to the holding of the Public Service Commission hearing, as required by West Virginia Code §16-13A-2.

By Order dated October 29, 1997, this matter was set for a hearing to be held in the Howard M. Cunningham Hearing Room, Public Service Commission Building, 201 Brooks Street, Charleston, West Virginia, on November 3, 1997. That Order also required that the Kanawha County Commission give notice of the hearing by publishing a Notice of Hearing once in a newspaper, duly

qualified by the Secretary of State, published and of general circulation in Kanawha County.

The hearing was held as scheduled. Mr. David Bostic of the Kanawha County Planning and Community Development Office appeared for the Kanawha County Commission. Commission Staff appeared by Staff Attorney Cassius H. Toon. No one appeared in protest to the petition. (See, Tr., p. 4). Mr. Bostic indicated that publication had been made and he did not have the affidavit of publication; however, it would be submitted, as soon as received.

In a letter dated November 3, 1997, the affidavit of publication was submitted by the Kanawha County Commission, which reflects that proper publication was made in accordance with the Commission's requirements.

#### FINDINGS OF FACT

1. On July 21, 1997, the Kanawha County Commission filed a petition to consolidate the London Public Service District with the Paint Creek Public Service District, pursuant to the provisions of West Virginia Code §16-13A-2. (See, petition).

2. On September 9, 1997, Staff Attorney Cassius H. Toon filed the Final Joint Staff Memorandum, to which was attached the Further Final Internal Memorandum of Mr. Randy Lengyel, Utilities Analyst, Water and Wastewater Division. Staff recommended approval of the County Commission's petition, subject to the holding of the Public Service Commission hearing, as required by West Virginia Code §16-13A-2. (See, Final Joint Staff Memorandum filed September 9, 1997).

3. By Order dated October 29, 1997, this matter was set for a hearing to be held in the Howard M. Cunningham Hearing Room, Public Service Commission Building, 201 Brooks Street, Charleston, West Virginia, on November 3, 1997. Said Order also required that the Kanawha County Commission give notice of the date of the hearing by publishing a Notice of Hearing once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Kanawha County. (See, Order dated October 29, 1997).

4. The hearing was held as scheduled on November 3, 1997. No one appeared in protest to the petition. (See, Tr., p. 4).

5. In a letter received November 4, 1997, the Kanawha County Commission submitted the affidavit of publication reflecting that proper publication had been made of the Notice of Hearing, as required by the Commission. (See, letter received November 4, 1997).

#### CONCLUSION OF LAW

The Administrative Law Judge is of the opinion and finds that, since the Kanawha County Commission has given proper notice of the hearing which was held in this case, in accordance with the provisions of West Virginia

Code §16-13A-2, and no one appeared in protest to the petition, the petition of the Kanawha County Commission to consolidate the London Public Service District with the Paint Creek Public Service District can be approved, as an unprotested case.

ORDER

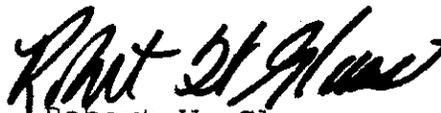
IT IS, THEREFORE, ORDERED that the August 28, 1997 Order of the Kanawha County Commission, consolidating the London Public Service District with the Paint Creek Public Service District, be, and the same hereby is, approved.

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.

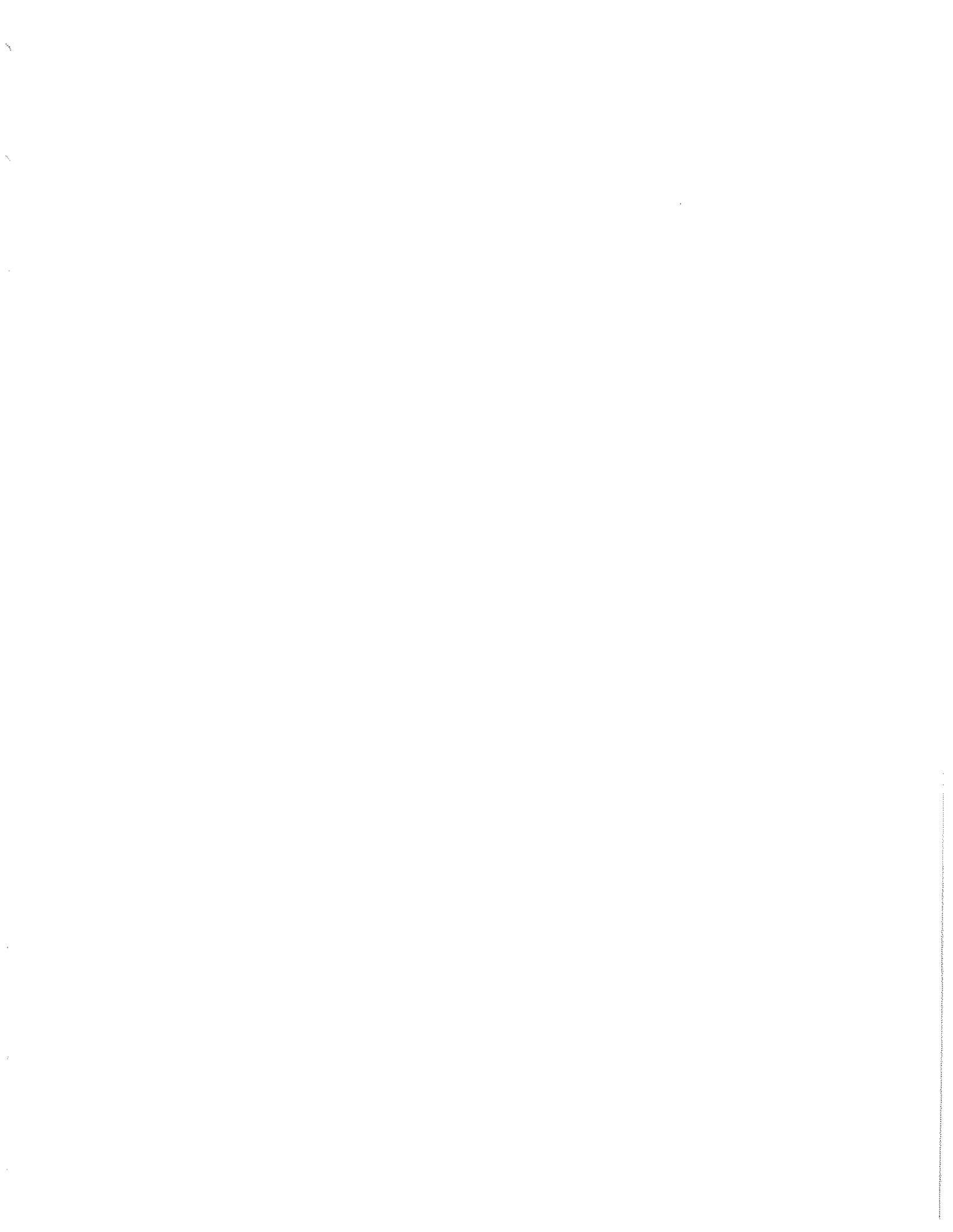
If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

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:pst



BEFORE THE PUBLIC SERVICE BOARD OF  
UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

A RESOLUTION RATIFYING THE CONSOLIDATION OF PAINT CREEK PUBLIC SERVICE DISTRICT AND LONDON PUBLIC SERVICE DISTRICT TO FORM UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, AND ASSUMPTION OF THE DEBTS, LIABILITIES AND OBLIGATIONS OF PAINT CREEK PUBLIC SERVICE DISTRICT AND LONDON PUBLIC SERVICE DISTRICT BY UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT; AUTHORIZING THE CHAIRMAN TO EXECUTE ALL DOCUMENTS RELATED TO THE CONSOLIDATION AND ASSUMPTION; AND RATIFYING AND CONFIRMING ALL ACTIONS TAKEN ON BEHALF OF THE DISTRICT

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity to be called Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the existing Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity to be called Upper Kanawha Valley Public Service District;

WHEREAS, State Street Bank and Trust Company (successor to Fleet National Bank, N.A.), as Trustee under that certain Declaration of Trust known as the Community Program Loan Trust, dated as of August 15, 1987, as the holder of the Water Revenue Bonds, Series 1979, dated October 3, 1980 ("State Street Bank"), issued in the original prior amount of \$223,000 by Paint Creek Public Service District is expected, in the near future, to give its consent to the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity to be the newly created Upper Kanawha Valley Public Service District;

WHEREAS, the West Virginia Water Development Authority ("WDA"), as the holder of the Sewerage System Design Notes, Series 1997, issued by Paint Creek

Public Service District for the design of a new sewerage collection system, dated August 18, 1997, in the original principal amount of \$145,000 is expected, in the near future, to give its consent to the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity to be the newly created Upper Kanawha Valley Public Service District;

WHEREAS, the WDA, as the holder of the Sewerage System Design Notes, Series 1997, issued by London Public Service District for the design of a new sewerage collection system, dated August 18, 1997, in the original principal amount of \$119,064 is expected, in the near future, to give its consent to the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity to be the newly created Upper Kanawha Valley Public Service District;

WHEREAS, Upper Kanawha Valley Public Service District wishes to complete the consolidation and agrees and consents to assume responsibility for all debts of Paint Creek Public Service District and London Public Service District;

WHEREAS, all actions necessary for the consolidation either have occurred or will occur in the near future; and

WHEREAS, it is now deemed desirous by the Public Service Board of Upper Kanawha Valley Public Service District to adopt a Resolution ratifying the consolidation of Paint Creek Public Service District and London Public Service District, sanctioning and confirming all lawful actions taken by all parties and their counsel to effectuate and complete the consolidation of Paint Creek Public Service District and London Public Service District and all lawful actions heretofore taken by or on behalf of Upper Kanawha Valley Public Service District, and confirming the assumption of the debts, liabilities and obligations of Paint Creek Public Service District and London Public Service District by Upper Kanawha Valley Public Service District.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY, RESOLVED AND ORDERED by the Public Service Board of Upper Kanawha Valley Public Service District as follows:

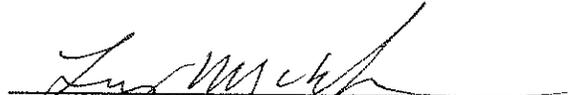
1. That the consolidation of Paint Creek Public Service District and London Public Service District is hereby ratified, confirmed and in all respects deemed completed upon receipt of consent to the consolidation from State Street Bank and the WDA.
2. That all lawful actions taken by the parties to this consolidation and their counsel to effectuate and complete the consolidation of Paint Creek Public Service

District and London Public Service District and all lawful actions heretofore taken, or to be taken, by or on behalf of Upper Kanawha Valley Public Service District are hereby ratified and confirmed.

3. That, upon receipt of consent to the consolidation from State Street Bank and the WDA, Upper Kanawha Valley Public Service District shall assume all debts, liabilities and obligations of Paint Creek Public Service District and London Public Service District.

4. That the Chairman and Secretary are hereby authorized to execute all documents and to take all actions necessary to consummate and complete the consolidation.

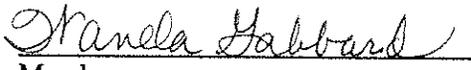
EXECUTED this 28th day of September, 1999, and, instantaneous with consummation of the consolidation of Paint Creek Public Service District and the London Public Service District on October 21, 1999, this resolution shall become effective as though adopted contemporaneously therewith.

  
Chairman

  
Member

  
Member

  
Member

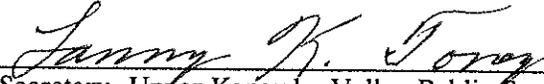
  
Member

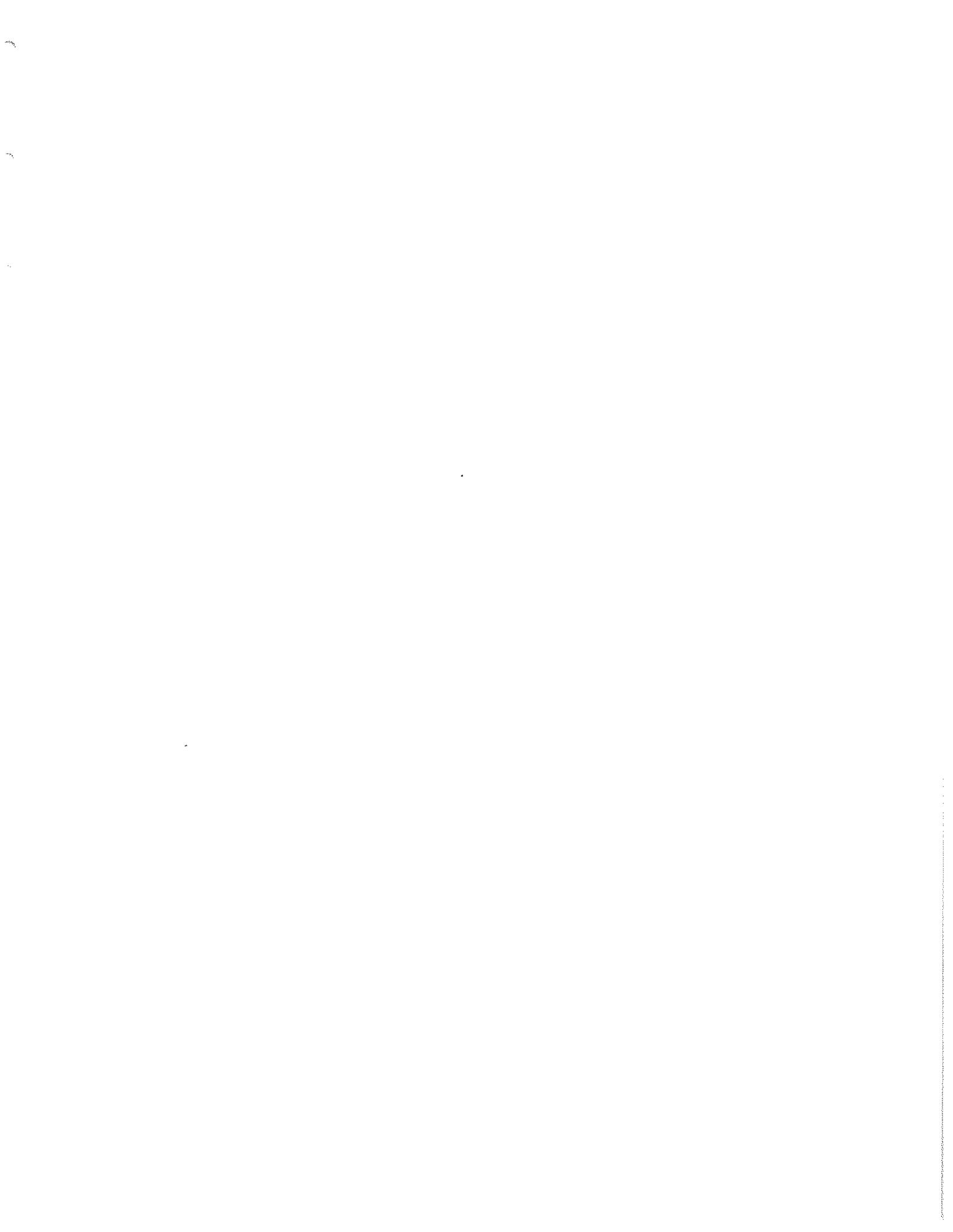
CERTIFICATION

Certified as a true copy of a Resolution adopted by the Public Service Board of Upper Kanawha Valley Public Service District on the 28th day of September, 1999.

Dated: October 21, 1999.

[SEAL]

  
Secretary, Upper Kanawha Valley Public Service District



DEED 2483 503  
Recorded In Above Book and Page  
10/25/1999 09:02:51 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax 0.00  
Recording Fee 4.50  
TOTAL 4.50

CONFIRMATORY QUITCLAIM DEED  
OF PAINT CREEK PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY QUITCLAIM DEED, made this 21st day of October, 1999, by and between Paint Creek Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part;

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the merger of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

WHEREAS, the bondholders and noteholders of Paint Creek Public Service District have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha

John C. Stump  
Sheptoe & Johnson  
P.O. Box 1588  
Char. WV 25304

Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Quitclaim Deed to evidence the transfer of all right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, owned by Paint Creek Public Service District to the newly created Upper Kanawha Valley Public Service District.

NOW, THEREFORE, in consideration of said consolidation and the premises and One Dollar (\$1.00), cash in hand paid, the receipt of which is hereby acknowledged, the party of the first part does hereby GRANT and CONVEY unto the party of the second part all of its right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, situate in Kanawha County, West Virginia, specifically including, but not limited to, the real estate, with such improvements and appurtenances, described in Exhibit A attached hereto and incorporated herein by reference.

For the same consideration aforesaid, the said party of the first part does hereby assign, transfer, set over and convey to the party of the second part all personal property, including, but not limited to, all inventory, accounts receivable, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, other tangible personal property and any interest in personal property owned by the party of the first part, wherever located.

This conveyance is made subject to all exceptions, reservations, restrictions, easements, conditions and rights-of-way contained or mentioned in prior instruments of record affecting the subject property.

The undersigned party of the first part hereby declares that this conveyance is not subject to the West Virginia Excise Tax on the privilege of transferring real property because it is a conveyance from one political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

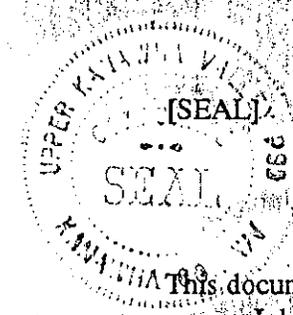
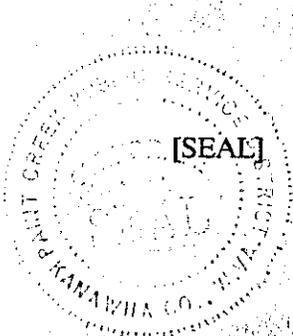
IN WITNESS WHEREOF, said Paint Creek Public Service District has caused its name to be signed and corporate seal to be affixed hereto by its proper officer thereunto duly authorized as of the day and year first above written.

PAINT CREEK PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman



This document was prepared by:  
John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

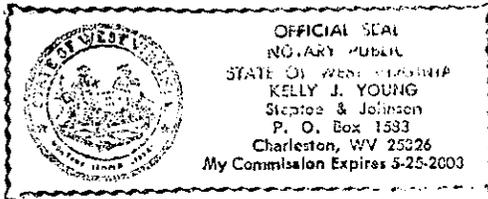
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for PAINT CREEK PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

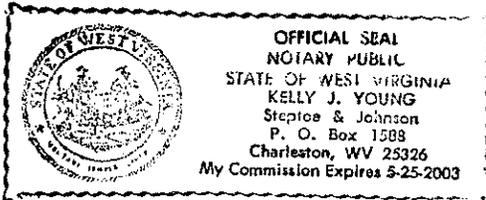
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

EXHIBIT A

Real Estate

100,000 gallon storage tank and lot at Livingston (fenced)  
Booster station and lot at Gallagher (fenced)  
Booster station and lot at Holly Grove

This instrument was presented to the Clerk of the County  
Commission of Kanawha County, West Virginia, on  
and the same is admitted to record.

OCT 25 1999

Teste: Alma J. King Clerk  
Kanawha County Commission



DEED 2483 483  
Recorded In Above Book and Page  
10/25/1999 08:44:31 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax 0.00  
Recording Fee 5.50  
TOTAL 5.50

CONFIRMATORY BILL OF SALE OF  
PAINT CREEK PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY BILL OF SALE, made this 21st day of October, 1999, by and between Paint Creek Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Seller," and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Purchaser;"

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

*John C. Stump  
Stephens & Johnson  
P.O. Box 1588  
Charleston, WV 25301*

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Bill of Sale to evidence the transfer of all personal property, tangible or intangible, and interests in personal property, of Paint Creek Public Service District to the newly created Upper Kanawha Valley Public Service District.

WITNESSETH, that for the sum of One and 00/100 Dollar (\$1.00), cash in hand paid by the Purchaser to the Seller, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Seller does hereby sell, assign, transfer, set over and deliver to Purchaser all personal property, including, but not limited to, all inventory, accounts receivable, deposit accounts, certificates of deposit, other evidences of indebtedness of a third party to the Seller, claims, causes of action, agreements, including, but not limited to, any indemnification agreements, contracts, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, and any other tangible or intangible personal property, and any interest in personal property owned by the Seller, wherever located and of whatever nature, specifically including, but not limited to the personal property described in Exhibit A attached hereto and incorporated herein by reference.

Seller hereby warrants to Purchaser that Seller has clear and unencumbered title to the personal property transferred by this Bill of Sale, except for the lien of the holder of the Seller's Water Revenue Bonds, Series 1979, dated October 3, 1980 (the "Bonds"), which Bonds are being assumed by the Purchaser.

The Seller shall deliver possession of the aforesaid personal property to Purchaser on the date of this Bill of Sale.

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and their corporate seals to be affixed hereto by their proper officers thereunto duly authorized, all as of the day and year first hereinabove written.



PAINT CREEK PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman



UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman

This instrument prepared by:

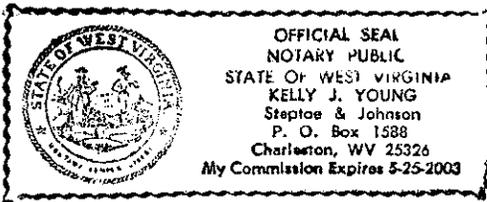
John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

STATE OF WEST VIRGINIA,  
COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the  
County and State aforesaid, do certify that Larry R. McMichen, who signed the writing  
hereto annexed, bearing date the 21st day of October, 1999, for PAINT CREEK  
PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County,  
before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

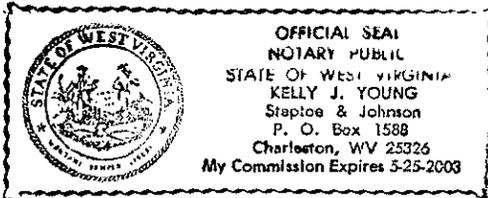
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

10/19/99  
924750/99001

EXHIBIT A

1. Lines and Tank
2. Copier
3. Accounts
4. Miscellaneous Personal Property

This instrument was presented to the Clerk of the County  
Commission of Kanawha County, West Virginia, on **OCT 25 1999**  
and the same is admitted to record.

Teste: *Alma King* Clerk  
Kanawha County Commission



ASSIGN 170 977  
Recorded In Above Book and Page  
10/25/1999 08:49:46 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax	0.00
Recording Fee	5.00
TOTAL	5.00

CONFIRMATORY ASSIGNMENT OF RIGHTS OF WAY AND  
EASEMENTS OF PAINT CREEK PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS, made this 21st day of October, 1999, by and between Paint Creek Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

John C. Stumpf  
St. Peter + Johnson  
1100 Virginia St. East  
P.O. Box 1500  
Charleston, WV 25306

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Assignment of Rights of Way and Easements to evidence the transfer of all right, title and interest in and to any and all rights of way and easements owned by, or reserved to, Paint Creek Public Service District, to the newly created Upper Kanawha Valley Public Service District.

WITNESSETH, that for the sum of One and 00/100 Dollar (\$1.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in any and all rights of way and easements owned by, or reserved to, Paint Creek Public Service District, including all of those conveyed to the Assignor by conveyances of record in the Office of the Clerk of The County Commission of Kanawha County, West Virginia, by Water User's Agreement or by any other conveyances, recorded or unrecorded, without limitation.

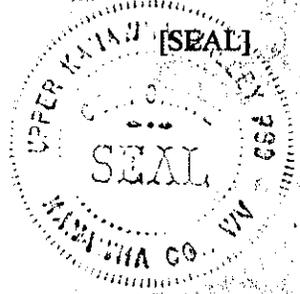
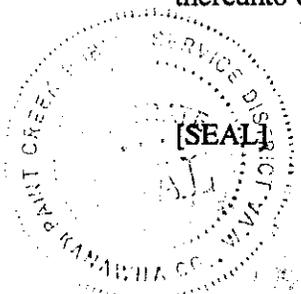
IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and their corporate seals to be affixed hereto by their proper officers thereunto duly authorized, all as of the day and year first hereinabove written.

PAINT CREEK PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman



This instrument prepared by:

John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

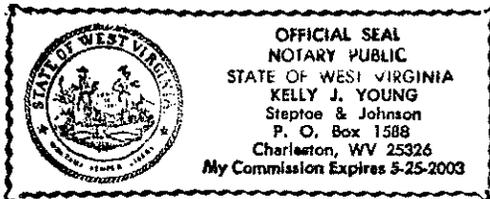
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for PAINT CREEK PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



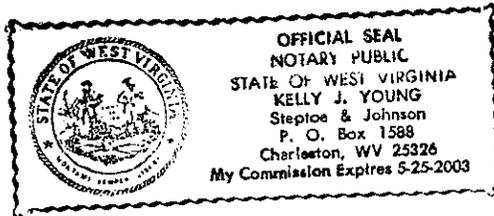
Kelly J. Young  
Notary Public

STATE OF WEST VIRGINIA,  
COUNTY OF KANAWHA TO-WIT:

I, Kelly J. Young, a Notary Public in and for the  
County and State aforesaid, do certify that Larry R. McMichen, who signed the writing  
hereto annexed, bearing date the 21st day of October, 1999, for the newly created  
UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation,  
has this day in my said County, before me, acknowledged the said writing to be the act  
and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

This instrument was presented to the Clerk of the County OCT 25 1999  
Commission of Kanawha County, West Virginia, on  
and the same is admitted to record.

Teste: Alma J. King Clerk  
Kanawha County Commission



ASSIGN 170 982  
Recorded In Above Book and Page  
10/25/1999 08:57:41 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax 0.00  
Recording Fee 5.00  
TOTAL 5.00

CONFIRMATORY ASSIGNMENT OF JUDGMENTS  
OF PAINT CREEK PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY ASSIGNMENT OF JUDGMENTS, made this 21st day of October, 1999, by and between Paint Creek Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

John C. Stumpf  
Stephan & Johnson  
P.O. Box 1588  
Charleston, WV 25324

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Assignment of Judgments to evidence the transfer of all right, title and interest in and to any and all judgments obtained in the course of collecting debts due Paint Creek Public Service District to the newly created Upper Kanawha Valley Public Service District.

WITNESSETH, that for the sum of One and 00/100 Dollar (\$1.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in and to any and all judgments obtained in the course of collecting debts due Paint Creek Public Service District.

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and their corporate seals to be affixed hereto by their proper officers thereunto duly authorized, all as of the day and year first hereinabove written.

PAINT CREEK PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman



This instrument prepared by:

John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

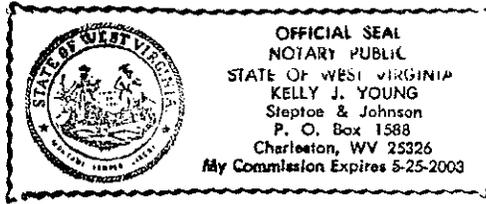
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for PAINT CREEK PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

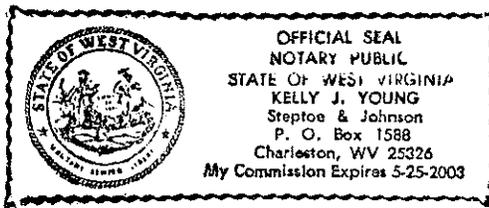
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

This instrument was presented to the Clerk of the County Commission of Kanawha County, West Virginia, on and the same is admitted to record.

Teste: Alma J. King OCT 25 1999  
Clerk  
Kanawha County Commission





ASSUMPTION AGREEMENT  
(PAINT CREEK PUBLIC SERVICE DISTRICT)

This Assumption Agreement is made and entered into as of October 21, 1999, by and between PAINT CREEK PUBLIC SERVICE DISTRICT ("Paint Creek") and UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT ("Upper Kanawha").

W I T N E S S E T H:

WHEREAS, Paint Creek has heretofore issued Water Revenue Bonds, Series 1979, dated October 3, 1980, in the original aggregate principal amount of \$223,000 (the "Bonds") to the United States of America in order to finance the acquisition and construction of a waterworks system (the "Waterworks System");

WHEREAS, all, right and interest in the Bonds have been assigned, conveyed and transferred by the United States of America to State Street Bank and Trust Company (successor to Fleet National Bank)("STATE STREET BANK") as Trustee under that certain Declaration of Trust known as the Community Loan Program Trust, dated as of August 15, 1987 (the "Trust"), the current holder of the Bonds;

WHEREAS, on the date hereof, approximately \$157,880.82 principal amount of the Bonds remains outstanding;

WHEREAS, Paint Creek has heretofore issued its Sewerage System Design Notes, Series 1997, dated August 18, 1997, in the original aggregate principal amount of \$145,000 (the "Design Notes") to the West Virginia Water Development Authority ("WDA") in order to finance the design of a sewerage collection system (the "Sewerage System");

WHEREAS, the WDA is the current holder of the Design Notes;

WHEREAS, on the date hereof, \$145,000 aggregate principal amount of the Design Notes remains outstanding;

WHEREAS, as of the date hereof the consolidation of Paint Creek and London Public Service District to form Upper Kanawha has been ordered by The County Commission of Kanawha County and approved by the Public Service Commission of West Virginia and both Paint Creek and Upper Kanawha desire to complete the consolidation;

WHEREAS, as of the date hereof, the parties hereto have obtained the consent of STATE STREET BANK and the WDA to the transfer of the Waterworks System and Sewerage System by Paint Creek to Upper Kanawha and the assumption of the Bonds and Design Notes by Upper Kanawha; and

WHEREAS, to complete the aforementioned consolidation, Upper Kanawha desires to assume all of the obligations of Paint Creek under the Bonds (including the outstanding principal amount of the Bonds) and the Design Notes.

NOW, THEREFORE, in consideration of the premises and of the covenants and promises herein contained, the parties hereto agree as follows:

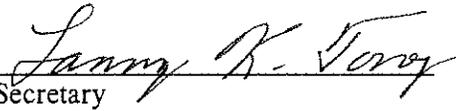
In exchange for the transfer of the Waterworks System and Sewerage System by Paint Creek to Upper Kanawha, Upper Kanawha hereby agrees to assume the entire outstanding aggregate principal amount of the Bonds and the outstanding \$145,000 principal amount of the Design Notes of Paint Creek.

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

PAINT CREEK PUBLIC SERVICE DISTRICT

  
Chairman

Attest:

  
Secretary

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

  
Chairman

Attest:

  
Secretary

10/19/99  
924750/99001



CANCELLED & REPLACED 10/21/99  
Barbara J. Mardone

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
PAINT CREEK PUBLIC SERVICE DISTRICT  
SEWERAGE SYSTEM DESIGN NOTE, SERIES 1997  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. R-1

\$145,000

KNOW ALL MEN BY THESE PRESENTS: That PAINT CREEK PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Kanawha County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, on the 18th day of August, 2000, the principal sum of One Hundred Forty Five Thousand Dollars (\$145,000), 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 hereto and incorporated herein by reference as a part hereof, with no interest. The Administrative Fee (as defined in the hereinafter described Notes Legislation) in the amount of 3% as set forth in the Loan Agreement (as hereinafter defined) shall also be payable on the 18th day of August, 2000.

The principal of this Note and the Administrative Fee are payable in any coin or currency which on the date of payment thereof 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 Note 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 dated August 18, 1997, by and between the Issuer and the Authority, on behalf of the Council.

This Note is issued (i) to temporarily finance a portion of the costs of design of new public sewerage facilities of the Issuer (the "Project", and together with any further additions, betterments and improvements thereto, collectively referred to as the "System") and (ii) to pay the costs of issuance hereof and related costs. This Note 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"), and a Notes Resolution duly adopted by the Issuer on August 13, 1997, and a Supplemental Resolution duly adopted

by the Issuer on August 13, 1997 (collectively, the "Notes Legislation"), and is subject to all the terms and conditions thereof.

The principal of this Note is payable only from and secured by a first lien on (1) the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) received by the Issuer for the System; (2) the proceeds of any revenue bonds, refunding bonds or other obligations of the Issuer, issued subsequent to the issuance of this Note; and (3) Surplus Revenues (as defined in the Notes Legislation), if any. The moneys from these sources shall be deposited into the Notes Payment Fund established under the Notes Legislation for the prompt payment of the principal of this Note. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received by the Issuer for the System or no revenue bonds, refunding bonds or other obligations of the Issuer are issued by the maturity date of the Notes or no Surplus Revenues are available to amortize the Notes over a 20-year period, the payment of the Notes shall be deferred until the earlier of (i) the date any grants (other than grants from the West Virginia Infrastructure Fund) are received for the System, (ii) the date any revenue bonds, refunding bonds or other obligations of the Issuer are issued, or (iii) 20 years from the date of issuance of the Notes. In the event any grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or any revenue bonds, refunding bonds or other obligations of the Issuer are issued, the Issuer shall pay the entire outstanding principal of and interest, if any, accrued to the maturity date of the Notes from the proceeds thereof. In the event the Issuer receives a grant (other than a grant from the West Virginia Infrastructure Fund) or other non-loan funding assistance for the acquisition and construction of a project to serve the area described in the application to the Council, which grant or other non-loan funding assistance may not be used to pay the Notes, then the Notes shall be repaid from the Net Revenues generated from the project constructed from such grant or other non-loan funding assistance (or from bond proceeds secured by such Net Revenues) and such repayment shall be amortized for a period not to exceed 20 years. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or no revenue bonds, refunding bonds or other obligations of the Issuer are issued or no project has been acquired or constructed by the Issuer within 20 years from the date of issuance of the Notes, the Council shall authorize the Authority to convert the Notes to a grant and cancel the Notes.

This Note does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the Issuer be obligated to pay the same except from the sources set forth above. Under the Notes Legislation, the Issuer has entered into certain covenants with the Authority, for the terms of which reference is made to the Notes Legislation. Remedies provided the Authority are exclusively as provided in the Notes Legislation, to which reference is here made for a detailed description thereof.

- CANCELLED & REPLACED 10/21/99-

Subject to the requirements for transfer set forth herein, this Note is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Note is transferable, as provided in the Notes Legislation, only by transfer of registration upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), to be made at the request of the registered owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

All moneys received from the sale of this Note shall be applied solely to the payment of the costs of design of the Project and the costs of issuance and related costs described in the Notes Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Note.

Under the Act, this Note is exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the Notes, together with all other obligations of the Issuer, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Note shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

- CANCELLED & REPLACED 10/21/99 -

IN WITNESS WHEREOF, PAINT CREEK PUBLIC SERVICE DISTRICT  
has caused this Note to be signed by its Chairperson and its corporate seal to be hereunto  
affixed and attested by its Secretary, and has caused this Note to be dated August 18, 1997.

[SEAL]

Larry McMachen  
Chairperson

Attest:

Larry K. Torrey  
Secretary

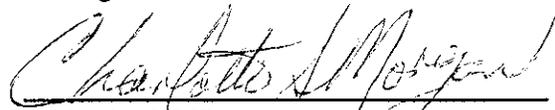
- CANCELLED & REPLACED 10/21/99-

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Note is one of the Notes described in and issued under the provisions of the within-mentioned Notes Legislation and has been duly registered in the name of the registered owner set forth above.

Date: August 18, 1997

ONE VALLEY BANK,  
NATIONAL ASSOCIATION,  
as Registrar

  
Authorized Officer

- CANCELLED & REPLACED 10/21/99 -

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within-mentioned Note and does hereby irrevocably constitute and appoint \_\_\_\_\_, attorney, to transfer said Note on the books of the Registrar on behalf of said Issuer with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

IN THE PRESENCE OF:

\_\_\_\_\_

- CANCELLED & REPLACED 10/21/99 -

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$67,250	8/18/1997	(16) \$	
(2) \$ 63,910	12/23/97	(17) \$	
(3) \$ 13,840	04/14/98	(18) \$	
(4) \$		(19) \$	
(5) \$		(20) \$	
(6) \$		(21) \$	
(7) \$		(22) \$	
(8) \$		(23) \$	
(9) \$		(24) \$	
(10) \$		(25) \$	
(11) \$		(26) \$	
(12) \$		(27) \$	
(13) \$		(28) \$	
(14) \$		(29) \$	
(15) \$		(30) \$	

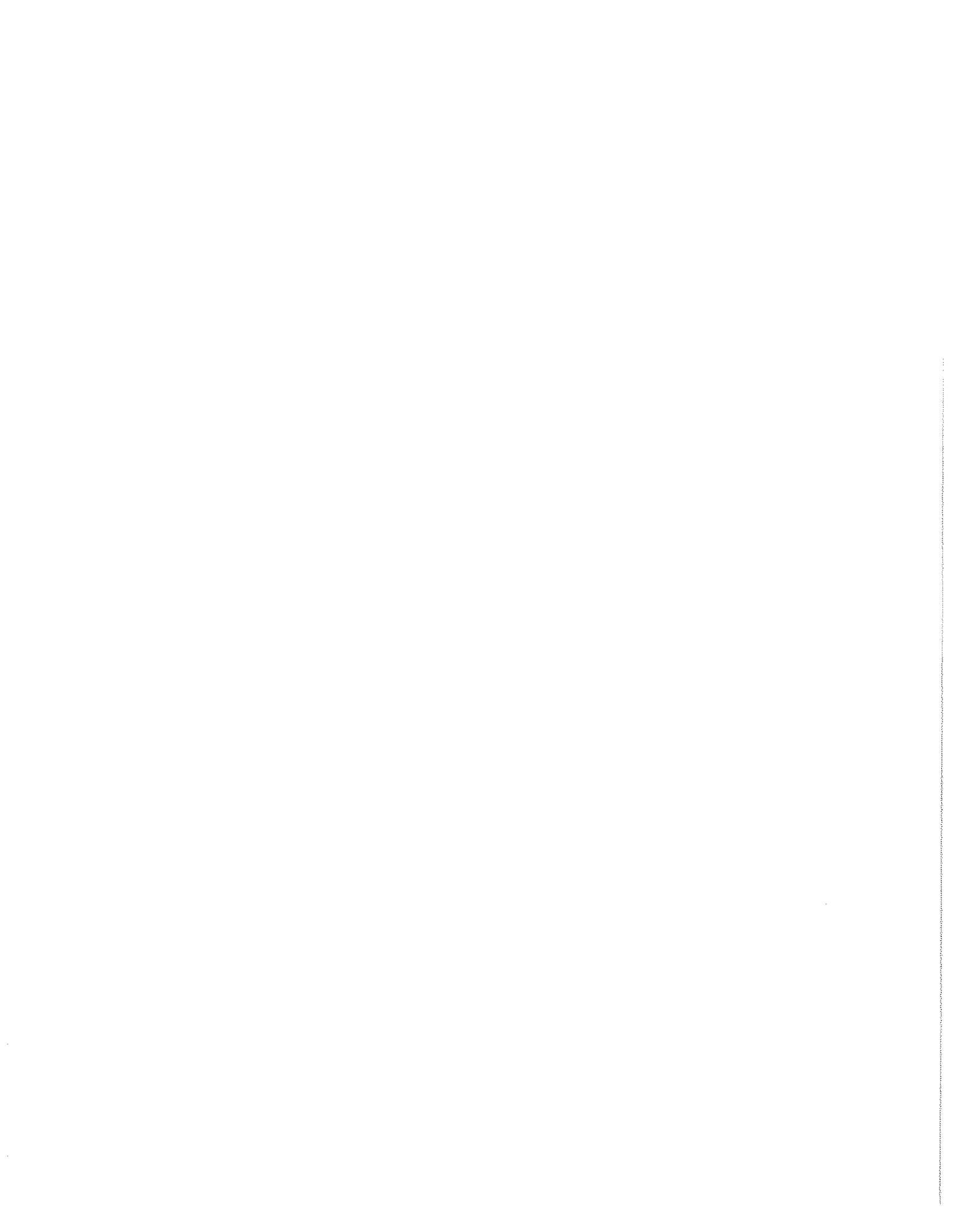
TOTAL \$ 145,000

WEST VIRGINIA INFRASTRUCTURE FUND

Loan closed 08/18/97

10/15/98 c Municipal Bond Commission  
Infrastructure Council  
Water Development Authority  
Paint Creek Public Service District  
Steptoe & Johnson  
Jackson & Kelly

210756.1



# SPECIMEN

**THIS IS AN AMENDED NOTE REFLECTING THE MODIFICATIONS AGREED TO BY THE ISSUER, THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY AND THE WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL ON OCTOBER 21, 1999.**

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
PAINT CREEK PUBLIC SERVICE DISTRICT  
SEWERAGE SYSTEM DESIGN NOTE, SERIES 1997  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. R-1

\$145,000

KNOW ALL MEN BY THESE PRESENTS: That UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Kanawha County of said State, as successor to Paint Creek Public Service District (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, on the 18th day of August, 2020, the principal sum of One Hundred Forty-Five Thousand Dollars (\$145,000), 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 hereto and incorporated herein by reference as a part hereof, with no interest. The Administrative Fee (as defined in the hereinafter described Notes Legislation) in the amount of 3% as set forth in the Loan Agreement (as hereinafter defined) shall also be payable on the 18th day of August, 2020.

The principal of this Note and the Administrative Fee are payable in any coin or currency which on the date of payment thereof 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 Note 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 dated August 18, 1997, by and between the Issuer and the Authority, on behalf of the Council.

This Note is issued (i) to temporarily finance a portion of the costs of design of new public sewerage facilities of the Issuer (the "Project", and together with any further

additions, betterments and improvements thereto, collectively referred to as the "System") and (ii) to pay the costs of issuance hereof and related costs. This Note 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"), and a Notes Resolution duly adopted by the Issuer on August 13, 1997, a Supplemental Resolution duly adopted by the Issuer on August 13, 1997, and a Second Supplemental Resolution duly adopted by the Issuer on September 28, 1999 (collectively, the "Notes Legislation"), and is subject to all the terms and conditions thereof.

THIS NOTE IS ISSUED ON A PARITY WITH THE PAINT CREEK PUBLIC SERVICE DISTRICT SEWER SYSTEM DESIGN NOTES, SERIES 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$145,000, DATED AUGUST 18, 1997, ASSUMED BY UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT ON OCTOBER 21, 1999 (THE "SERIES 1997 B NOTE").

The principal of this Note is payable only from and secured by a first lien, on a parity with the Series 1997 B Note, on (1) the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) received by the Issuer for the System, subsequent to the completion of the Project, as such term is defined in that certain Resolution of the Issuer adopted on September 28, 1999 (the "1999 Resolution"); (2) the proceeds of any revenue bonds, refunding bonds or other obligations of the Issuer, issued subsequent to the issuance of the Issuer's Series 1999 Bonds, as defined in the 1999 Resolution; and (3) Surplus Revenues (as defined in the Notes Legislation and the Resolution), if any, but only to the extent that the Public Service Commission of West Virginia does not require that such Surplus Revenues are to be used for other purposes of the System. The moneys from these sources shall be deposited into the Notes Payment Fund established under the Notes Legislation for the prompt payment of the principal of this Note and the Series 1997 B Note, pro rata. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or no revenue bonds, refunding bonds or other obligations of the Issuer are issued or no project has been acquired or constructed by the Issuer by August 18, 2020, the Council shall authorize the Authority to convert the Note to a grant and cancel the Note.

This Note does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the Issuer be obligated to pay the same except from the sources set forth above. Under the Notes Legislation, the Issuer has entered into certain covenants with the Authority, for the terms of which reference is made to the Notes Legislation. Remedies provided the Authority are exclusively as provided in the Notes Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth herein, this Note is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Note is transferable, as provided in the Notes Legislation, only by transfer of registration upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), to be made at the request of the registered owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

All moneys received from the sale of this Note shall be applied solely to the payment of the costs of design of the Project and the costs of issuance and related costs described in the Notes Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Note.

Under the Act, this Note is exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the Notes, together with all other obligations of the Issuer, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Note shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

IN WITNESS WHEREOF, UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT has caused this Note to be signed by its Chairperson and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Note to be dated October 21, 1999.

[SEAL]

  
\_\_\_\_\_  
Chairperson

Attest:

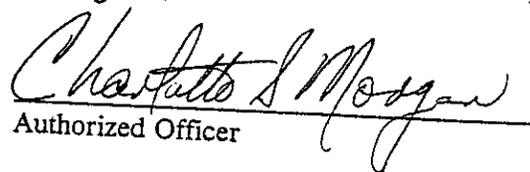
  
\_\_\_\_\_  
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Note is one of the Notes described in and issued under the provisions of the within-mentioned Notes Legislation and has been duly registered in the name of the registered owner set forth above.

Date: October 21, 1999

ONE VALLEY BANK,  
NATIONAL ASSOCIATION,  
as Registrar

  
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within-mentioned Note and does hereby irrevocably constitute and appoint \_\_\_\_\_, attorney, to transfer said Note on the books of the Registrar on behalf of said Issuer with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

IN THE PRESENCE OF:

\_\_\_\_\_

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$67,250	08/18/97	(16) \$	
(2) \$63,910	12/23/97	(17) \$	
(3) \$13,840	04/14/98	(18) \$	
(4) \$		(19) \$	
(5) \$		(20) \$	
(6) \$		(21) \$	
(7) \$		(22) \$	
(8) \$		(23) \$	
(9) \$		(24) \$	
(10) \$		(25) \$	
(11) \$		(26) \$	
(12) \$		(27) \$	
(13) \$		(28) \$	
(14) \$		(29) \$	
(15) \$		(30) \$	
TOTAL		\$145,000	



DEED 2483 496  
Recorded In Above Book and Page  
10/25/1999 09:00:40 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax 0.00  
Recording Fee 4.50  
TOTAL 4.50

CONFIRMATORY QUITCLAIM DEED OF  
LONDON PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY QUITCLAIM DEED, made this 21st day of October, 1999, by and between London Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part;

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on September 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District, have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public

John L. Stump  
Steph & Johnson  
P.O. Box 1588  
Charleston, WV 25324

Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Quitclaim Deed to evidence the transfer of all right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, owned by London Public Service District to the newly created Upper Kanawha Valley Public Service District.

NOW, THEREFORE, in consideration of said consolidation and the premises herein and One Dollar (\$1.00), cash in hand paid, the receipt of which is hereby acknowledged, the party of the first part does hereby GRANT and CONVEY unto the party of the second part all of its right, title and interest in and to any and all real estate and interests in real estate, together with all improvements situate thereon and the appurtenances thereunto belonging, situate in Kanawha County, West Virginia, specifically including, but not limited to, the real estate, with such improvements and appurtenances, described in Exhibit A attached hereto and incorporated herein by reference.

For the same consideration aforesaid, the said party of the first part does hereby assign, transfer, set over and convey to the party of the second part all personal property, including, but not limited to, all inventory, accounts receivable, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, other tangible personal property and any interest in personal property owned by the party of the first part, wherever located.

DEED 2483-498

This conveyance is made subject to all exceptions, reservations, restrictions, easements, conditions and rights-of-way contained or mentioned in prior instruments of record affecting the subject property.

The undersigned party of the first part hereby declares that this conveyance is not subject to the West Virginia Excise Tax on the privilege of transferring real property because it is a conveyance from a political subdivision of the State of West Virginia to another political subdivision of the State of West Virginia.

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and corporate seals to be affixed hereto by their proper officers thereunto duly authorized all as of the day and year first hereinabove written.

LONDON PUBLIC SERVICE DISTRICT

By Ronald R. Alexander  
Its Chairman

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman



This document was prepared by:

John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

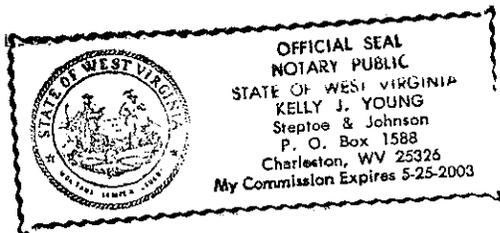
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



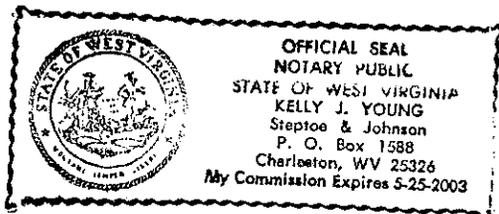
Kelly J. Young  
Notary Public

STATE OF WEST VIRGINIA,  
COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the  
County and State aforesaid, do certify that Ronald R. Alexander, who signed the writing  
hereto annexed, bearing date the 21st day of October, 1999, for the LONDON PUBLIC  
SERVICE DISTRICT, a public corporation, has this day in my said County, before me,  
acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

EXHIBIT A

Real Estate

All real property of the London Public Service District, if any.

This instrument was presented to the Clerk of the County  
Commission of Kanawha County, West Virginia, on  
and the same is admitted to record.

Teste:

*Alma J. Dyer* Clerk  
Kanawha County Commission

OCT 25 1999



DEED 2483 489  
Recorded In Above Book and Page  
10/25/1999 08:45:40 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax 0.00  
Recording Fee 6.50  
TOTAL 6.50

CONFIRMATORY BILL OF SALE OF  
LONDON PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY BILL OF SALE, made this 21st day of October, 1999, by and between London Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Seller," and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Purchaser;"

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District have approved the consolidation of

John C. Stumpf  
P.O. Box 1588  
Charleston, WV 25301

Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Bill of Sale to evidence the transfer of all personal property, tangible or intangible, and interests in personal property, of London Public Service District to the newly created Upper Kanawha Valley Public Service District:

WITNESSETH, that for the sum of One and 00/100 Dollar (\$1.00), cash in hand paid by the Purchaser to the Seller, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Seller does hereby sell, assign, transfer, set over and deliver to Purchaser all personal property, including, but not limited to, all inventory, accounts receivable, deposit accounts, certificates of deposit, other evidences of indebtedness of a third party to the Seller, claims, causes of action, agreements, including, but not limited to, any indemnification agreements, contracts, equipment, supplies, vehicles, furniture, fixtures, furnishings, improvements, and any other tangible or intangible personal property, and any interest in personal property owned by the Seller, wherever located and of whatever nature, specifically including, but not limited to, the personal property described in Exhibit A attached hereto and incorporated herein by reference.

Seller hereby warrants to Purchaser that Seller has clear and unencumbered title to the personal property transferred by this Bill of Sale.

The Seller shall deliver possession of the aforesaid personal property to  
Purchaser on the date of this Bill of Sale.

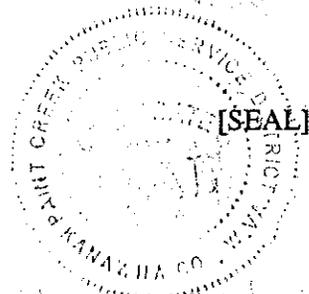
IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and their corporate seals to be affixed hereto by their proper officers thereunto duly authorized, all as of the day and year first hereinabove written.

LONDON PUBLIC SERVICE DISTRICT

By Ronald R. Alexander  
Its Chairman

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By Layman  
Its Chairman



This instrument prepared by:

John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

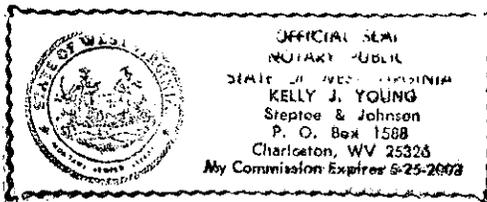
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Ronald R. Alexander, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the LONDON PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

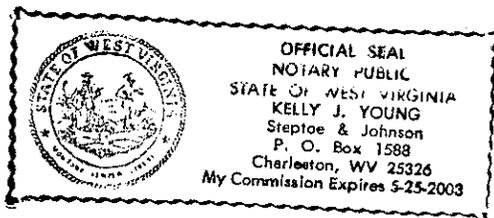
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



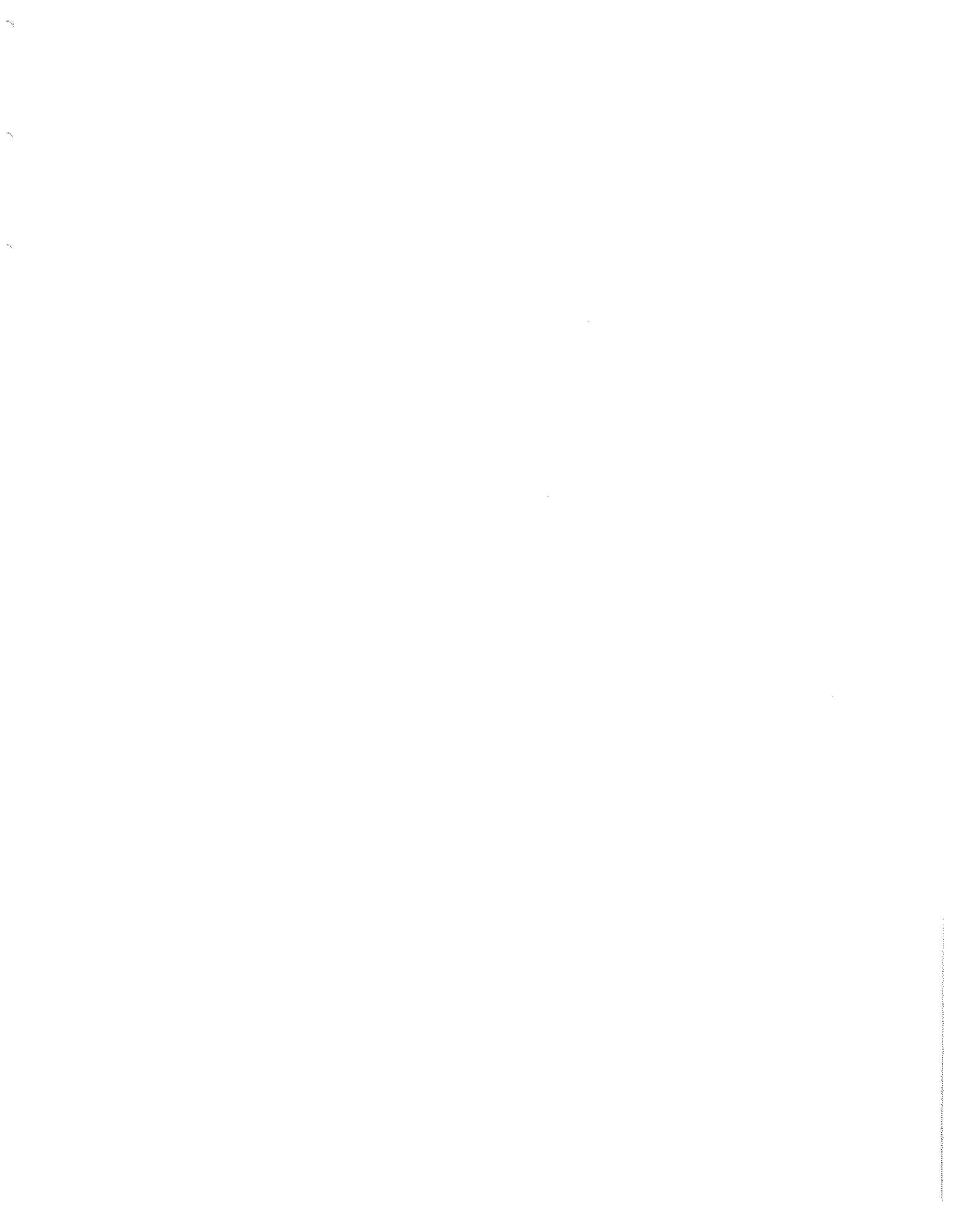
Kelly J. Young  
Notary Public

EXHIBIT A

1. Accounts
2. Miscellaneous other personal property.

This instrument was presented to the Clerk of the County  
Commission of Kanawha County West Virginia. on **OCT 25 1999**  
and the same is admitted to record

Teste: Alma King Clerk  
Kanawha County Commission



ASSIGN 170 972  
Recorded In Above Book and Page  
10/25/1999 08:48:26 AM  
Alma Y. King  
County Clerk  
Kanawha County, WV

Deed Tax 0.00  
Recording Fee 5.00  
TOTAL 5.00

CONFIRMATORY ASSIGNMENT OF RIGHTS OF WAY AND  
EASEMENTS OF LONDON PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY ASSIGNMENT OF RIGHTS OF WAY AND EASEMENTS, made this 21st day of October, 1999, by and between London Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

John C. Stumpf  
Stefre + Johnson  
P.O. Box 1588  
Charleston, WV 25326

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Assignment of Rights of Way and Easements to evidence the transfer of all right, title and interest in and to any and all rights of way and easements owned by, or reserved to, London Public Service District, to the newly created Upper Kanawha Valley Public Service District.

WITNESSETH, that for the sum of One and 00/100 Dollar (\$1.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in any and all rights of way and easements owned by, or reserved to London Public Service District, including all of those conveyed to the Assignor by conveyances of record in the Office of the Clerk of The County Commission of Kanawha County, West Virginia, by Water User's Agreement or by any other conveyances, recorded or unrecorded, without limitation.

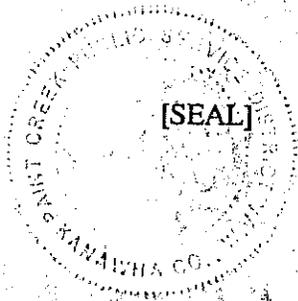
IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and their corporate seals to be affixed hereto by their proper officers thereunto duly authorized, all as of the day and year first hereinabove written.

LONDON PUBLIC SERVICE DISTRICT

By Ronald B. Clewender  
Its Chairman

UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman



This instrument prepared by:

John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

STATE OF WEST VIRGINIA,

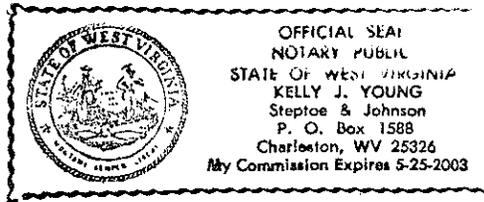
COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Ronald R. Alexander who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for LONDON PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.

Kelly J. Young  
Notary Public



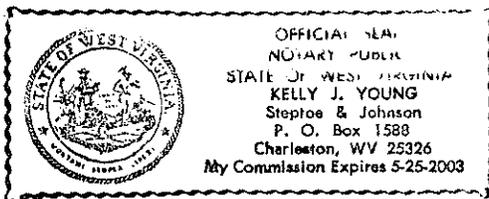
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

This instrument was presented to the Clerk of the County Commission of Kanawha County, West Virginia, on and the same is admitted to record.

OCT 25 1999

Teste: Alma J. King Clerk  
Kanawha County Commission



Deed Tax 0.00  
Recording Fee 5.00  
TOTAL 5.00

CONFIRMATORY ASSIGNMENT OF JUDGMENTS  
OF LONDON PUBLIC SERVICE DISTRICT

THIS CONFIRMATORY ASSIGNMENT OF JUDGMENTS, made this 21st day of October, 1999, by and between London Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the first part, hereinafter sometimes referred to as the "Assignor," and the newly created Upper Kanawha Valley Public Service District, a public corporation and political subdivision of the State of West Virginia, party of the second part, hereinafter sometimes referred to as the "Assignee;"

WHEREAS, The County Commission of Kanawha County, West Virginia, adopted a resolution on August 28, 1997, ordering the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District, which consolidation is subject to the approval of the Public Service Commission of West Virginia and the bondholders and noteholders of the Districts;

WHEREAS, the Public Service Commission of West Virginia, in Case No. 97-0926-PSWD-PC, by Final Decision entered on December 10, 1997, approved the consolidation of Paint Creek Public Service District and London Public Service District, with the resulting entity from the consolidation to be the newly created Upper Kanawha Valley Public Service District; and

John C. Stumy  
Bepler + Johnson  
P.O. Box 1588  
Charleston, WV 25326

WHEREAS, the bondholders and noteholders of both Paint Creek Public Service District and London Public Service District have approved the consolidation of Paint Creek Public Service District and London Public Service District, and the Public Service Board of Upper Kanawha Valley Public Service District has adopted a resolution ratifying the consolidation and authorizing the execution and delivery of this Confirmatory Assignment of Judgments to evidence the transfer of all right, title and interest in and to any and all judgments obtained in the course of collecting debts due London Public Service District to the newly created Upper Kanawha Valley Public Service District.

WITNESSETH, that for the sum of One and 00/100 Dollar (\$1.00), cash in hand paid by the Assignee to the Assignor, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign, transfer, set over and deliver to Assignee all of its right, title and interest in and to any and all judgments obtained in the course of collecting debts due London Public Service District.

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be signed and their corporate seals to be affixed hereto by their proper officers thereunto duly authorized, all as of the day and year first hereinabove written.



LONDON PUBLIC SERVICE DISTRICT

By Ronald R. Alexander  
Its Chairman



UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

By [Signature]  
Its Chairman

This instrument prepared by:

John C. Stump, Esquire, WV Bar No. 6385  
Douglas E. Lamb, Esquire, WV Bar No. 7735  
Steptoe & Johnson  
Charleston, West Virginia 25301  
(304) 353-8000

10/19/99  
924750/99001

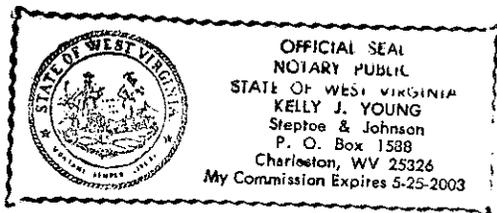
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Ronald R. Alexander who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for LONDON PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.



Kelly J. Young  
Notary Public

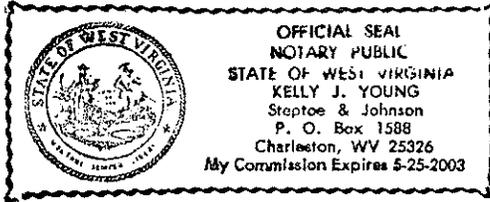
STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

I, Kelly J. Young, a Notary Public in and for the County and State aforesaid, do certify that Larry R. McMichen, who signed the writing hereto annexed, bearing date the 21st day of October, 1999, for the newly created UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation, has this day in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and official seal this the 19th day of October, 1999.

My commission expires May 25, 2003.

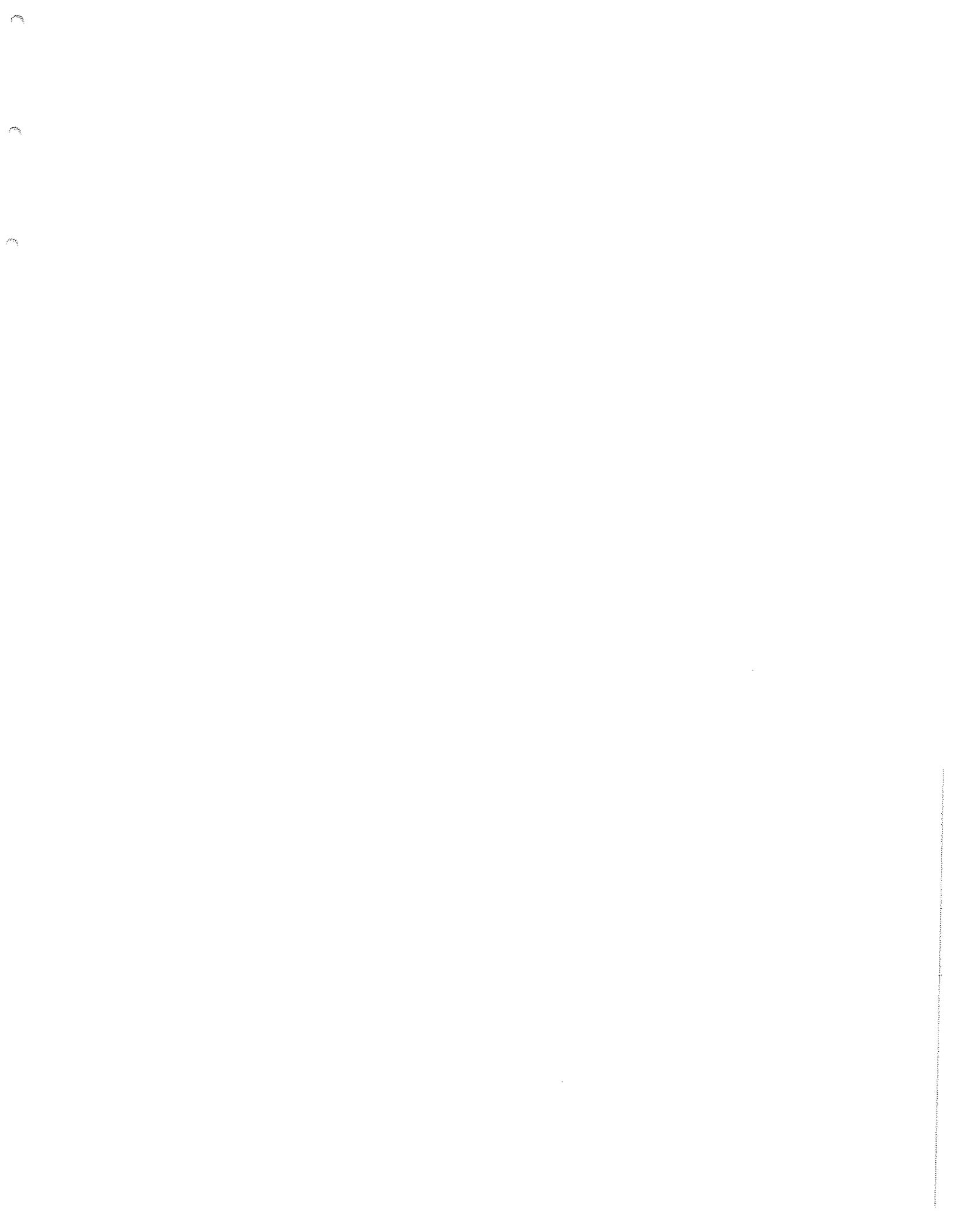


Kelly J. Young  
Notary Public

This instrument was presented to the Clerk of the County Commission of Kanawha County, West Virginia, on and the same is admitted to record.

OCT 25 1999  
Teste: Alma J. King Clerk  
Kanawha County Commission





ASSUMPTION AGREEMENT  
(LONDON PUBLIC SERVICE DISTRICT)

This Assumption Agreement is made and entered into as of October 21, 1999, by and between LONDON PUBLIC SERVICE DISTRICT ("London") and UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT ("Upper Kanawha").

W I T N E S S E T H:

WHEREAS, London has heretofore issued its Sewerage System Design Notes, dated August 18, 1997, in the original aggregate principal amount of \$119,064 (the "Design Notes") to the West Virginia Water Development Authority (the "WDA") in order to finance the design of a new sewerage collection system (the "System");

WHEREAS, the WDA is the current holder of the Design Notes;

WHEREAS, on the date hereof, \$119,064 aggregate principal amount of the Design Notes remains outstanding;

WHEREAS, as of the date hereof, the consolidation of London and Paint Creek Public Service District to form Upper Kanawha Valley Public Service District has been ordered by The County Commission of Kanawha County and approved by the Public Service Commission of West Virginia and both London Public Service District and Upper Kanawha Valley Public Service District desire to complete the consolidation;

WHEREAS, as of the date hereof, the parties hereto have obtained the consent of the WDA to the transfer of the System by London to Upper Kanawha and the assumption of the Design Notes by Upper Kanawha; and

WHEREAS, to complete the aforementioned consolidation, Upper Kanawha desires to assume the outstanding principal amount of the Design Notes.

NOW, THEREFORE, in consideration of the premises and of the covenants and promises herein contained, the parties hereto agree as follows:

In exchange for the transfer of the System by London to Upper Kanawha, Upper Kanawha hereby agrees to assume the outstanding \$119,064 aggregate principal amount of the Design Notes of London.

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

LONDON PUBLIC SERVICE DISTRICT

Ronald R. Alexander  
Chairman

Attest:

Todd E. Moore  
Secretary

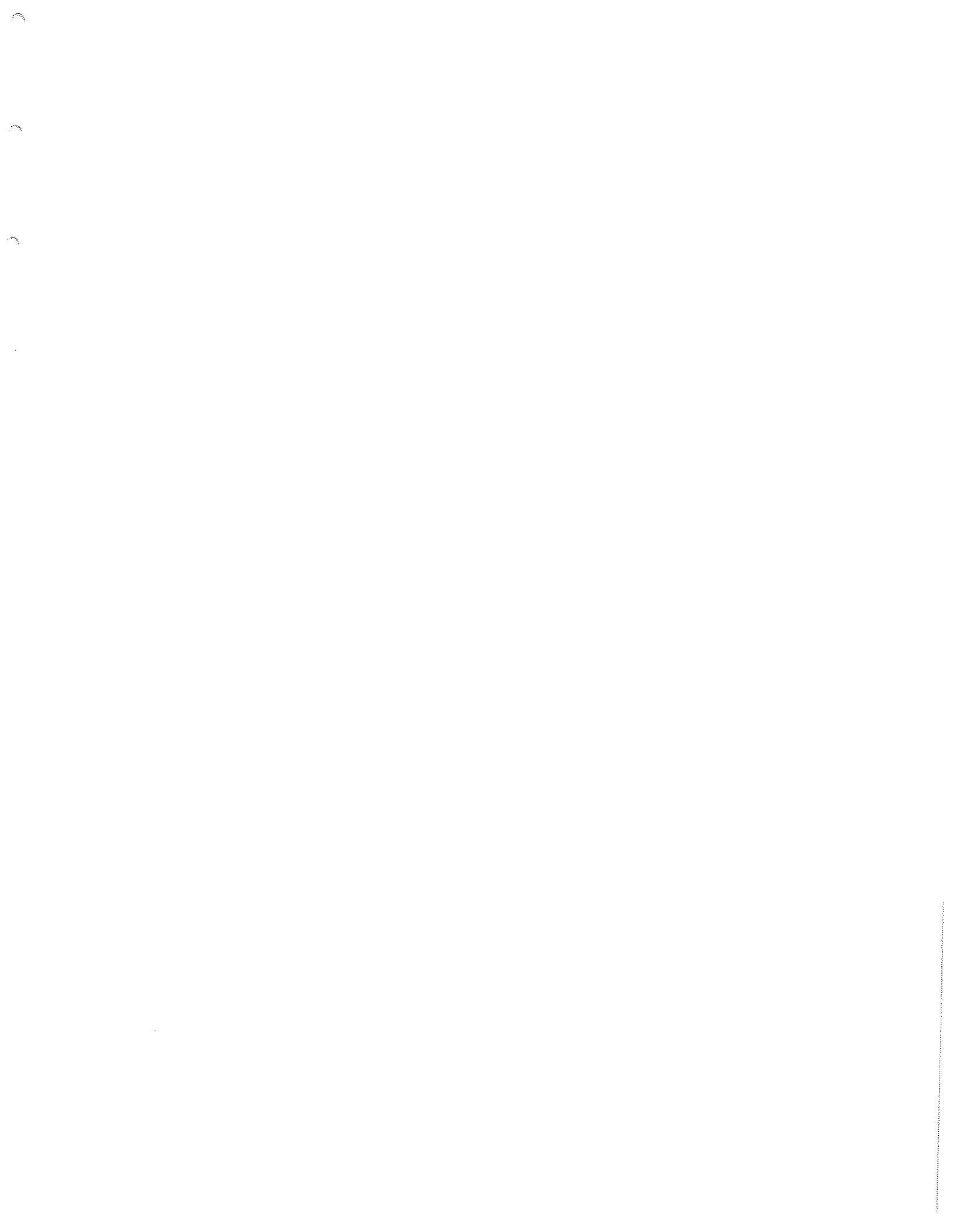
UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT

Sammy R. Torrey  
Chairman

Attest:

Sammy R. Torrey  
Secretary

10/19/99  
924750/99001



- CANCELLED & REPLACED 10/21/99 -  
*Barbara B Meadows CPA*

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
LONDON PUBLIC SERVICE DISTRICT  
SEWERAGE SYSTEM DESIGN NOTE, SERIES 1997  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. R-1

\$119,064

KNOW ALL MEN BY THESE PRESENTS: That LONDON PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Kanawha County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, on the 18th day of August, 2000, the principal sum of One Hundred Nineteen Thousand Sixty Four Dollars (\$119,064), 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 hereto and incorporated herein by reference as a part hereof, with no interest. The Administrative Fee (as defined in the hereinafter described Notes Legislation) in the amount of 3% as set forth in the Loan Agreement (as hereinafter defined) shall also be payable on the 18th day of August, 2000.

The principal of this Note and the Administrative Fee are payable in any coin or currency which on the date of payment thereof 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 Note 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 dated August 18, 1997, by and between the Issuer and the Authority, on behalf of the Council.

This Note is issued (i) to temporarily finance a portion of the costs of design of new public sewerage facilities of the Issuer (the "Project", and together with any further additions, betterments and improvements thereto, collectively referred to as the "System") and (ii) to pay the costs of issuance hereof and related costs. This Note 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"), and a Notes Resolution duly adopted by the Issuer on August 13, 1997, and a Supplemental Resolution duly adopted

by the Issuer on August 13, 1997 (collectively, the "Notes Legislation"), and is subject to all the terms and conditions thereof.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE LOAN OF THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY TO THE ISSUER, DATED SEPTEMBER 4, 1975, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,675.00, CURRENTLY OUTSTANDING IN THE AMOUNT OF \$1,691.75 (THE "PRIOR LOAN"), HELD BY THE AUTHORITY.

The principal of this Note is payable only from and secured by a first lien, on a parity with the Prior Loan, on (1) the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) received by the Issuer for the System; (2) the proceeds of any revenue bonds, refunding bonds or other obligations of the Issuer, issued subsequent to the issuance of this Note; and (3) Surplus Revenues (as defined in the Notes Legislation), if any. The moneys from these sources shall be deposited into the Notes Payment Fund established under the Notes Legislation for the prompt payment of the principal of this Note and the Prior Loan, pro rata. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received by the Issuer for the System or no revenue bonds, refunding bonds or other obligations of the Issuer are issued by the maturity date of the Notes or no Surplus Revenues are available to amortize the Notes over a 20-year period, the payment of the Notes shall be deferred until the earlier of (i) the date any grants (other than grants from the West Virginia Infrastructure Fund) are received for the System, (ii) the date any revenue bonds, refunding bonds or other obligations of the Issuer are issued, or (iii) 20 years from the date of issuance of the Notes. In the event any grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or any revenue bonds, refunding bonds or other obligations of the Issuer are issued, the Issuer shall pay the entire outstanding principal of and interest, if any, accrued to the maturity date of the Notes and the Prior Loan, pro rata, from the proceeds thereof. In the event the Issuer receives a grant (other than a grant from the West Virginia Infrastructure Fund) or other non-loan funding assistance for the acquisition and construction of a project to serve the area described in the application to the Council, which grant or other non-loan funding assistance may not be used to pay the Notes, then the Notes and the Prior Loan, shall, pro rata, be repaid from the Net Revenues generated from the project constructed from such grant or other non-loan funding assistance (or from bond proceeds secured by such Net Revenues) and such repayment shall be amortized for a period not to exceed 20 years. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or no revenue bonds, refunding bonds or other obligations of the Issuer are issued or no project has been acquired or constructed by the Issuer within 20 years from the date of issuance of the Notes, the Council shall authorize the Authority to convert the Notes to a grant and cancel the Notes.

This Note does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the Issuer be obligated to pay the same except from the sources set forth above. Under the Notes Legislation, the Issuer has entered into certain covenants with the Authority, for the terms of which reference is made to the Notes Legislation. Remedies provided the Authority are exclusively as provided in the Notes Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth herein, this Note is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Note is transferable, as provided in the Notes Legislation, only by transfer of registration upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), to be made at the request of the registered owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

All moneys received from the sale of this Note shall be applied solely to the payment of the costs of design of the Project and the costs of issuance and related costs described in the Notes Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Note.

Under the Act, this Note is exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the Notes, together with all other obligations of the Issuer, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Note shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

- CANCELLED & REPLACED 10/21/99 -

IN WITNESS WHEREOF, LONDON PUBLIC SERVICE DISTRICT has caused this Note to be signed by its Chairperson and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Note to be dated August 18, 1997.

[SEAL]

Ronald R. Alexander  
Chairperson

Attest:

Todd E. Jones  
Secretary

- CANCELLED & REPLACED 10/21/99 -

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Note is one of the Notes described in and issued under the provisions of the within-mentioned Notes Legislation and has been duly registered in the name of the registered owner set forth above.

Date: August 18, 1997

ONE VALLEY BANK,  
NATIONAL ASSOCIATION,  
as Registrar



Authorized Officer

— CANCELLED & REPLACED 10/21/99 —

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within-mentioned Note and does hereby irrevocably constitute and appoint \_\_\_\_\_, attorney, to transfer said Note on the books of the Registrar on behalf of said Issuer with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

IN THE PRESENCE OF:

\_\_\_\_\_

- CANCELLED & REPLACED 10/21/99 -

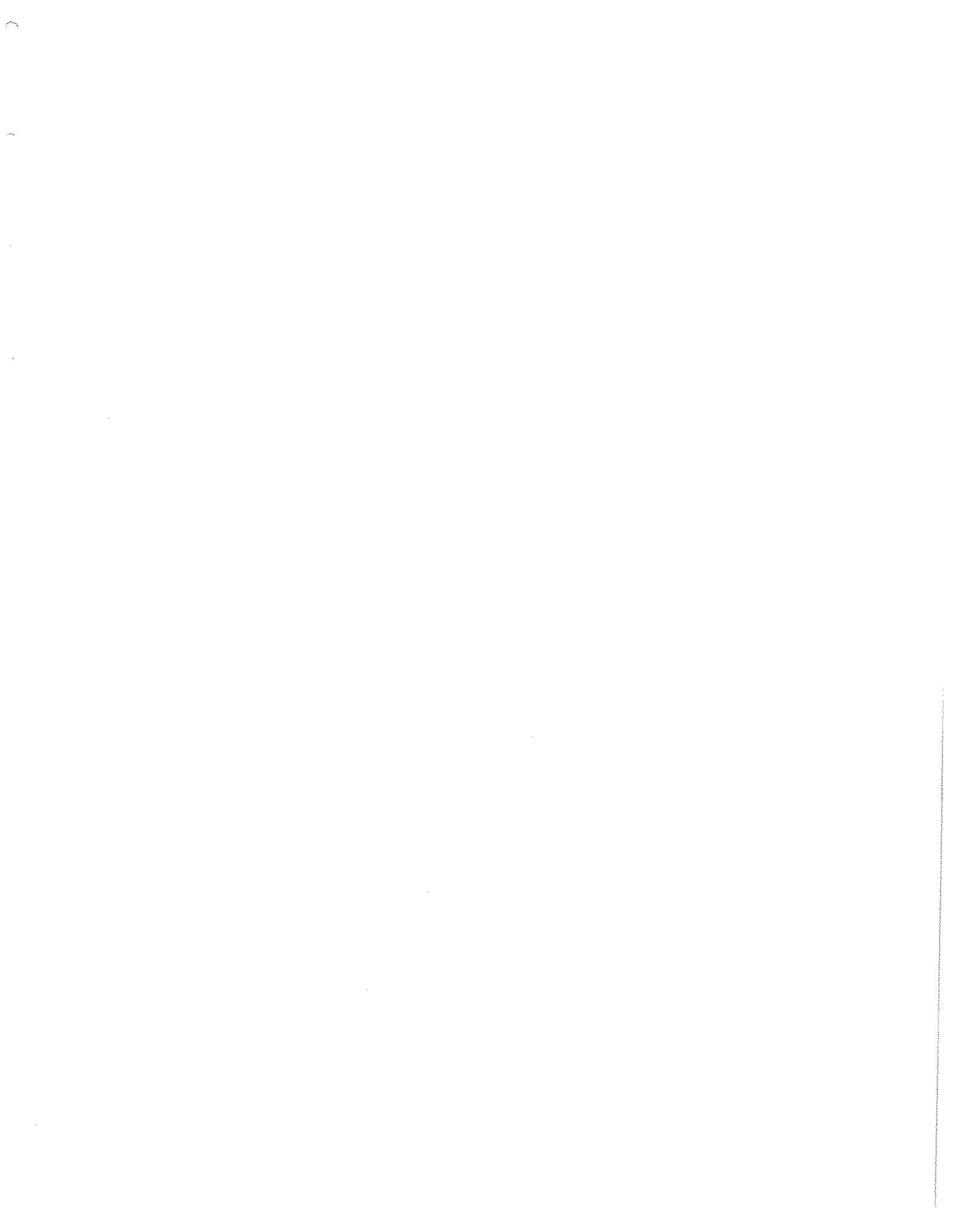
RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$68,705	8/18/97	(16) \$	
(2) \$ 50,359	12/23/97	(17) \$	
(3) \$		(18) \$	
(4) \$		(19) \$	
(5) \$		(20) \$	
(6) \$		(21) \$	
(7) \$		(22) \$	
(8) \$		(23) \$	
(9) \$		(24) \$	
(10) \$		(25) \$	
(11) \$		(26) \$	
(12) \$		(27) \$	
(13) \$		(28) \$	
(14) \$		(29) \$	
(15) \$		(30) \$	

WEST VIRGINIA INFRASTRUCTURE COUNCIL TOTAL \$ 119,064

Loan closed 08/18/97

10/15/98 c Municipal Bond Commission  
 Infrastructure Council  
 Water Development Authority  
 London Public Service District  
 210768.1 Jackson & Kelly 7  
 Steptoe & Johnson



# SPECIMEN

THIS IS AN AMENDED NOTE REFLECTING THE MODIFICATIONS AGREED TO BY THE ISSUER, THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY AND THE WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL ON OCTOBER 21, 1999.

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
LONDON PUBLIC SERVICE DISTRICT  
SEWERAGE SYSTEM DESIGN NOTE, SERIES 1997  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. R-1

\$119,064

KNOW ALL MEN BY THESE PRESENTS: That UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Kanawha County of said State, as successor to London Public Service District (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns, on the 18th day of August, 2020, the principal sum of One Hundred Nineteen Thousand Sixty Four Dollars (\$119,064), 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 hereto and incorporated herein by reference as a part hereof, with no interest. The Administrative Fee (as defined in the hereinafter described Notes Legislation) in the amount of 3% as set forth in the Loan Agreement (as hereinafter defined) shall also be payable on the 18th day of August, 2020.

The principal of this Note and the Administrative Fee are payable in any coin or currency which on the date of payment thereof 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 Note 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 dated August 18, 1997, by and between the Issuer and the Authority, on behalf of the Council.

This Note is issued (i) to temporarily finance a portion of the costs of design of new public sewerage facilities of the Issuer (the "Project", and together with any further

additions, betterments and improvements thereto, collectively referred to as the "System") and (ii) to pay the costs of issuance hereof and related costs. This Note 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"), and a Notes Resolution duly adopted by the Issuer on August 13, 1997, a Supplemental Resolution duly adopted by the Issuer on August 13, 1997, and a Second Supplemental Resolution duly adopted by the Issuer on September 28, 1999 (collectively, the "Notes Legislation"), and is subject to all the terms and conditions thereof.

THIS NOTE IS ISSUED ON A PARITY WITH THE LONDON PUBLIC SERVICE DISTRICT SEWER SYSTEM DESIGN NOTES, SERIES 1997, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$119,064, DATED AUGUST 18, 1997, ASSUMED BY UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT ON OCTOBER 21, 1999 (THE "SERIES 1997 A NOTE").

The principal of this Note is payable only from and secured by a first lien, on a parity with the Series 1997 A Note, on (1) the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) received by the Issuer for the System, subsequent to the completion of the Project, as such term is defined in that certain Resolution of the Issuer adopted on September 28, 1999 (the "1999 Resolution"); (2) the proceeds of any revenue bonds, refunding bonds or other obligations of the Issuer, issued subsequent to the issuance of the Issuer's Series 1999 Bonds, as defined in the 1999 Resolution; and (3) Surplus Revenues (as defined in the Notes Legislation and the Resolution), if any, but only to the extent that the Public Service Commission of West Virginia does not require that such Surplus Revenues are to be used for other purposes of the System. The moneys from these sources shall be deposited into the Notes Payment Fund established under the Notes Legislation for the prompt payment of the principal of this Note and the Series 1997 A Note, pro rata. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or no revenue bonds, refunding bonds or other obligations of the Issuer are issued or no project has been acquired or constructed by the Issuer by August 18, 2020, the Council shall authorize the Authority to convert the Note to a grant and cancel the Note.

This Note does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provisions or limitations, nor shall the Issuer be obligated to pay the same except from the sources set forth above. Under the Notes Legislation, the Issuer has entered into certain covenants with the Authority, for the terms of which reference is made to the Notes Legislation. Remedies provided the Authority are exclusively as provided in the Notes Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth herein, this Note is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Note is transferable, as provided in the Notes Legislation, only by transfer of registration upon the books of One Valley Bank, National Association, Charleston, West Virginia, as registrar (the "Registrar"), to be made at the request of the registered owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

All moneys received from the sale of this Note shall be applied solely to the payment of the costs of design of the Project and the costs of issuance and related costs described in the Notes Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Note.

Under the Act, this Note is exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the Notes, together with all other obligations of the Issuer, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

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

This Note shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

IN WITNESS WHEREOF, UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT has caused this Note to be signed by its Chairperson and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Note to be dated October 21, 1999.

[SEAL]

  
\_\_\_\_\_  
Chairperson

Attest:

  
\_\_\_\_\_  
Secretary

**SPECIMEN**

**SPECIMEN**

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Note is one of the Notes described in and issued under the provisions of the within-mentioned Notes Legislation and has been duly registered in the name of the registered owner set forth above.

Date: October 21, 1999

ONE VALLEY BANK  
NATIONAL ASSOCIATION,  
as Registrar

*Charlotte Morgan*  
\_\_\_\_\_  
Authorized Officer

**SPECIMEN**

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_ the within-mentioned Note and does hereby irrevocably constitute and appoint \_\_\_\_\_, attorney, to transfer said Note on the books of the Registrar on behalf of said Issuer with full power of substitution in the premises.

Dated: \_\_\_\_\_

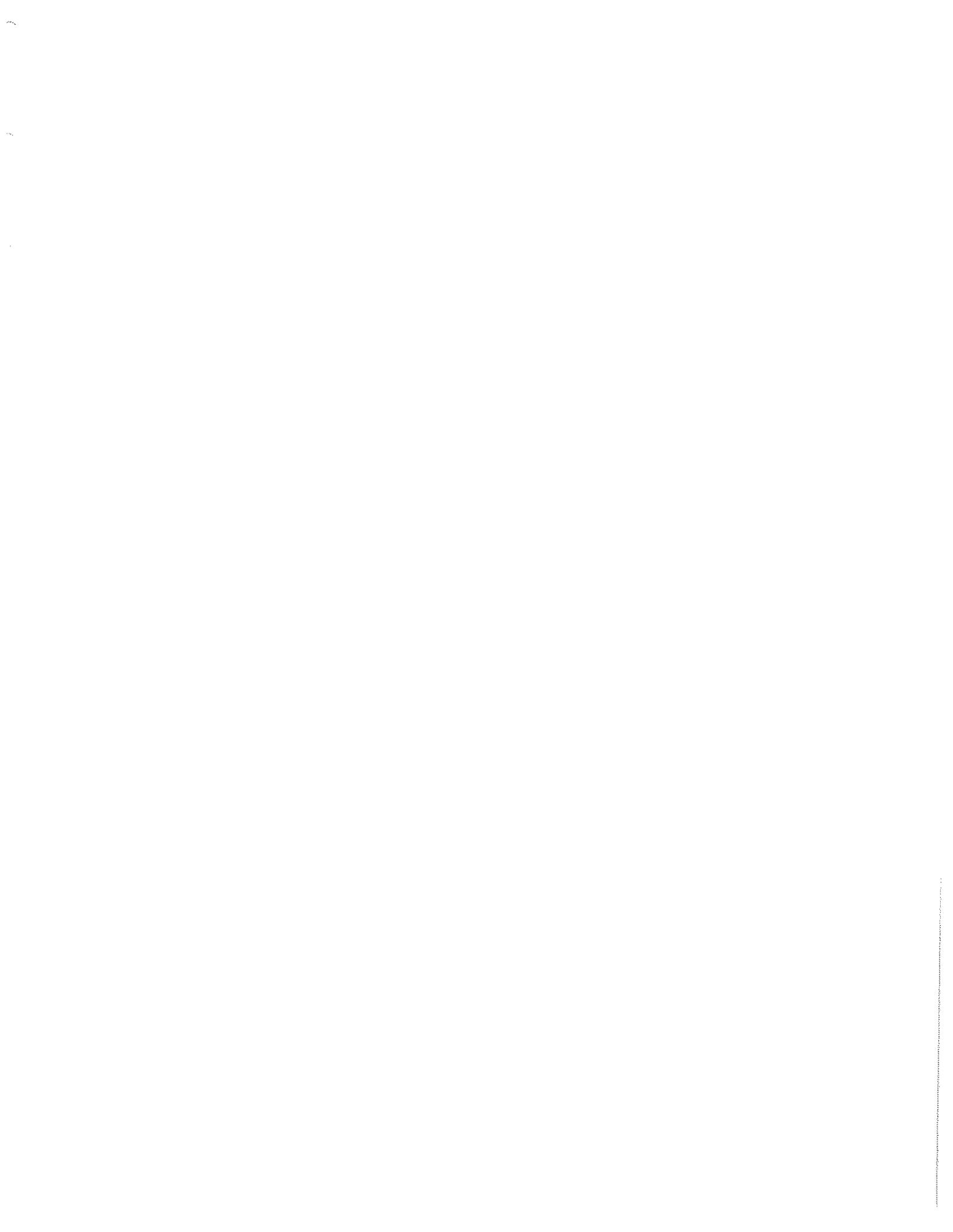
\_\_\_\_\_

IN THE PRESENCE OF:

\_\_\_\_\_

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$68,705	08/18/97	(16) \$	
(2) \$50,359	12/23/97	(17) \$	
(3) \$		(18) \$	
(4) \$		(19) \$	
(5) \$		(20) \$	
(6) \$		(21) \$	
(7) \$		(22) \$	
(8) \$		(23) \$	
(9) \$		(24) \$	
(10) \$		(25) \$	
(11) \$		(26) \$	
(12) \$		(27) \$	
(13) \$		(28) \$	
(14) \$		(29) \$	
(15) \$		(30) \$	
TOTAL		\$119,064	



# STEPTOE & JOHNSON

ATTORNEYS AT LAW

BANK ONE CENTER

SEVENTH FLOOR

P. O. BOX 1588

CHARLESTON, W. VA. 25326-1588

(304) 353-8000

FACSIMILE (304) 353-8180

RILEY BUILDING, FOURTH FLOOR

14TH AND CHAPLINE STREETS

P. O. BOX 150

WHEELING, W. VA. 26003-0020

(304) 233-0000

FACSIMILE (304) 233-0014

THE RIVERS OFFICE PARK

200 STAR AVENUE, SUITE 220

P. O. BOX 628

PARKERSBURG, W. VA. 26102-0628

(304) 422-6463

FACSIMILE (304) 422-6462

ALAN B. MOLLOHAN INNOVATION CENTER

1000 TECHNOLOGY DRIVE

P. O. BOX 2210

FAIRMONT, W. VA. 26554-8824

(304) 368-8000

FACSIMILE (304) 368-8413

WRITER'S DIRECT DIAL NUMBER

October 21, 1999

The County Commission of Kanawha County  
Consolidation of Paint Creek Public Service District  
and London Public Service District

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

GMAC Commercial Mortgage Corporation  
650 Dresher Road  
Horsham, Pennsylvania 19044-8015

West Virginia Infrastructure & Jobs Development  
Council  
980 One Valley Square  
Charleston, West Virginia 25301

Ladies and Gentlemen:

We have acted as bond counsel in connection with the consolidation of Paint Creek Public Service District and London Public Service District to form a new public service district, to be known as Upper Kanawha Valley Public Service District, in Kanawha County, West Virginia (the "Upper Kanawha Valley Public Service District"), as of the date hereof, pursuant to Chapter 16, Article 13A, of the West Virginia Code of 1931, as amended (the "Act"), and a resolution (the "Resolution") of The County Commission of Kanawha County adopted August 28, 1997. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

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

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

1. Upper Kanawha Valley Public Service District has been duly created by the consolidation of Paint Creek Public Service District and London Public Service District and is validly existing as a public service district and as a public corporation and a political subdivision of the State of West Virginia with corporate power to assume the assets, debts and liabilities of Paint Creek Public Service District and London Public Service District.

2. Upper Kanawha Valley Public Service District has validly assumed all of the debts, liabilities and obligations of Paint Creek Public Service District and London Public Service District.

3. Upper Kanawha Valley Public Service District holds valid title to all assets, including, but not limited to, real and personal property, of Paint Creek Public Service District and London Public Service District.

4. State Street Bank and Trust Company (successor to Fleet National Bank), as Trustee under that certain Declaration of Trust known as the Community Program Loan Trust 1987 A, dated as of August 15, 1987, as registered owner of the Water Revenue Bonds, Series 1979, originally issued by Paint Creek Public Service District, the obligation for payment of which has been assumed by Upper Kanawha Valley Public Service District, has a valid statutory mortgage lien on the water distribution system of Upper Kanawha Valley Public Service District.

5. The West Virginia Water Development Authority ("WDA") is the holder of the Paint Creek Public Service District Sewerage System Design Notes, Series 1997, dated August 18, 1997, issued in the original aggregate principal amount of \$145,000, and the London Public Service District Sewerage System Design Notes, Series 1997, dated August 18, 1997, issued in the original aggregate principal amount of \$119,064, the obligation for payment of which has been assumed by Upper Kanawha Valley Public Service District. The WDA, as holder of the aforementioned Notes, has a lien on the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) or of any revenue bonds, refunding bonds or other obligations of Upper Kanawha Valley Public Service District received for the benefit of the sewerage system of Upper Kanawha Valley Public Service District, other than the Series 1999 Bonds, and on the Surplus Revenues (as defined in the resolutions authorizing the aforementioned Notes) of the sewerage system of Upper Kanawha Valley Public Service District.

Very truly yours,

  
STEPH & JOHNSON

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**UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT**

Consent to  
Consolidation of Paint Creek Public Service District and  
London Public Service District to form  
Upper Kanawha Valley Public Service District

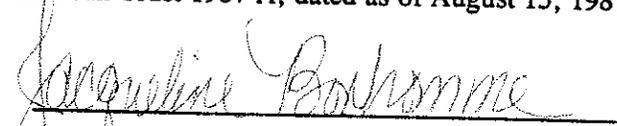
The undersigned, duly authorized representative of **STATE STREET BANK AND TRUST COMPANY** (successor to Fleet National Bank), Trustee, under Declaration of Trust dated 8/15/87, known as the Community Program Loan Trust 1987 A ("State Street Bank"), the present holder of the Water Revenue Bond, Series 1979, dated October 3, 1980, issued in the original principal amount of \$223,000 (the "Bonds"), of Paint Creek Public Service District, hereby consents to (i) the consolidation of Paint Creek Public Service District and London Public Service District to form Upper Kanawha Valley Public Service District; (ii) the conveyance of all of the assets of Paint Creek Public Service District, including, but not limited to, all real property, personal property, tangible property, intangible property, rights of way, easements, judgements, licenses and permits, to Upper Kanawha Valley Public Service District; and (iii) the assumption of the obligations under the Bonds by Upper Kanawha Valley Public Service District.

WITNESS my signature this 13th day of October, 1999.

**STATE STREET BANK AND TRUST COMPANY**  
(successor to Fleet National Bank), as Trustee under that  
certain Declaration of Trust known as the Community  
Program Loan Trust 1987 A, dated as of August 15, 1987

By:

Its:

  
ASSISTANT VICE PRESIDENT

COMMONWEALTH OF MASSACHUSETTS  
COUNTY OF SUFFOLK, to-wit:

The foregoing instrument was executed before me this 14<sup>th</sup> day of October, 1999, by Jacqueline A. Bonhomme Assistant Vice President of STATE STREET BANK AND TRUST COMPANY, TRUSTEE, a private corporation, on behalf of said corporation in its capacity as Trustee under Declaration of Trust known as the Community Program Loan Trust 1987 A, dated as of August 15, 1987.

My commission expires My Commission Expires April 12, 2002

[SEAL]

Christina Muller  
Notary Public Christina Muller

10/07/99

CH329223.3





*State of West Virginia*  
**WATER DEVELOPMENT AUTHORITY**

*180 Association Drive  
Charleston WV 25311-1571*

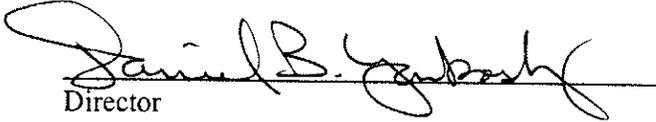
*Telephone (304) 558-3612  
Telecopier (304) 558-0299*

October 21, 1999

The County Commission of Kanawha County  
Consolidation of Paint Creek Public Service District  
and London Public Service District

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative of the West Virginia Water Development Authority, the holder of the Sewerage System Design Notes, Series 1997 (West Virginia Infrastructure Fund) of Paint Creek Public Service District, dated August 18, 1997, issued in the original aggregate principal amount of \$145,000, and the Sewerage System Design Notes, Series 1997 (West Virginia Infrastructure Fund) of London Public Service District, dated August 18, 1997, issued in the original aggregate principal amount of \$119,064, hereby consents to (i) the consolidation of London Public Service District and Paint Creek Public Service District to form Upper Kanawha Valley Public Service District; (ii) the conveyance of all of the assets owned individually by London Public Service District and Paint Creek Public Service District, including, but not limited to, all real property, personal property, tangible property, intangible property, rights of way, easements, licenses and permits, to Upper Kanawha Valley Public Service District; and (iii) the assumption of the obligations under the London Public Service District Sewerage System Design Notes, Series 1997, and the Paint Creek Public Service District Sewerage System Design Notes, Series 1999, by Upper Kanawha Valley Public Service District.

  
Director