CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

Date of Closing: February 13, 2001

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CITY OF KEYSER

SEWER REVENUE BONDS, SERIES 2001

(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF KEYSER AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF KEYSER OF NOT MORE THAN FIVE HUNDRED TWENTY-THREE THOUSAND SEVENTY-TWO DOLLARS ($523,072.00) IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF KEYSER SEWER REVENUE BONDS, SERIES 2001 (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT WITH THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY AND THE WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS; AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT ENACTED AND ORDAINED BY THE COMMON COUNCIL OF THE CITY OF KEYSER:

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ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

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

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

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

B. The Issuer presently owns and operates a public sewerage system. On November 15, 1999, the Issuer enacted a Bond and Interim Financing Ordinance approving the acquisition and construction of certain additions, betterments and improvements to the Issuer's public sewerage facilities and the financing of a portion of the costs thereof with proceeds of the Series 1999 Bonds, as hereinafter defined. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed certain additional additions, betterments and improvements to the Issuer's existing public sewerage facilities to complete the project approved in 1999. The additions, betterments, and improvements to the Issuer's existing public sewerage facilities approved in 1999, together with the additional additions, betterments and improvements to complete the foregoing are described in Exhibit A hereto (collectively, the "Project") (the Issuer's existing sewerage facilities, the Project and any further additions thereto or extensions thereof are herein called the "System") in accordance with the plans and specifications prepared by the Consulting Engineers (hereinafter defined), which plans and specifications have heretofore been filed with the Issuer.

C. The acquisition and construction of the System was financed in part with the proceeds from $970,000 in principal amount of the Issuer's Sewer Revenue Bonds, Series 1980 (the "Series 1980 Bonds"), issued on September 14, 1981, authorized pursuant to a Bond Ordinance enacted by the Issuer on June 4, 1980, as supplemented and amended (the "Series 1980 Bonds Ordinance"); $1,647,465 in principal amount of the Issuer's Sewer Revenue Bonds, Series 1986 (the "Series 1986 Bonds"), issued on August 29, 1986, authorized pursuant to the Bond Ordinance enacted by the Issuer on July 14, 1986, as supplemented and amended (the "Series 1986 Bonds Ordinance"); and $5,753,801 in principal amount of the Issuer's Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program) (the "Series 1999 Bonds"), issued on November 16, 1999, authorized pursuant to the Bond and Interim Financing Ordinance enacted by the Issuer on November 15, 1999, as supplemented and amended (the "Series 1999 Bonds Ordinance") (the Series 1980 Bonds Ordinance, the Series 1986 Bonds Ordinance and the Series 1999 Bonds Ordinance are collectively referred to herein as the "Prior Ordinances").

D. The Issuer derives revenues from the System, and, except for the pledges thereof to secure and pay the Series 1980 Bonds, the Series 1986 Bonds and the Series 1999 Bonds (collectively, the "Prior Bonds"), said revenues are not pledged or encumbered in any manner.

E. The estimated maximum cost of the construction and acquisition of the Project and issuance of the Series 1999 Bonds and Series 2001 Bonds, as hereinafter defined, remaining to be paid after application of the proceeds of the Series 1999 Bonds and the $261,500 of excess revenues of the System described in Section 1.02E of the Series 1999 Bonds Ordinance is $523,072, which will be permanently financed with the proceeds of the Issuer's Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) (the "Series 2001 Bonds") herein authorized.

F. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of the System, the principal of and interest, if any, on the Series 2001 Bonds and the Prior Bonds, and all sinking funds, reserve accounts and other payments provided for herein and in the Prior Ordinances.

G. It is further deemed necessary for the Issuer to issue the Series 2001 Bonds, in the total aggregate principal amount of not more than $523,072, to permanently finance a portion of the costs of acquisition and construction of the Project not paid with the proceeds of the Series 1999 Bonds or other available sources. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Series 2001 Bonds prior to and during construction and acquisition and for a period not exceeding 6 months after completion of construction of the Project; amounts which may be deposited in the Series 1999 and 2001 Bonds Reserve Account, as hereinafter defined; engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2001 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2001 Bonds or the repayment of indebtedness incurred by the Issuer for such purposes, shall be deemed Costs of the Project, as hereinafter defined.

H. The period of usefulness of the System after completion of the Project is not less than 25 years.

I. It is in the best interest of the Issuer that its Series 2001 Bonds be issued and sold to the Authority (as hereinafter defined) pursuant to the terms and provisions of a bond purchase agreement by and among the Issuer, the Authority and the West Virginia Division of Environmental

Protection, a division of the West Virginia Bureau of Environment (the "DEP"), the execution, delivery and form of which are ratified and approved herein.

J. The Issuer has met the requirements of the Prior Ordinances for the issuance of the Series 2001 Bonds on a parity with the Prior Bonds. Prior to the issuance of the Series 2001 Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the parity test of the Series 1986 Bonds Ordinance and Series 1999 Bonds Ordinance have been met and (ii) the written consents from the Holders of the Prior Bonds to the issuance of the Series 2001 Bonds on a parity with the lien of the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or other obligations of the Issuer which are secured by revenues or assets of the System.

K. The Series 2001 Bonds shall be issued with a lien on the Net Revenues, as hereinafter defined, on a parity with the lien held by the Holders of the Prior Bonds.

L. The Issuer has complied with all requirements of West Virginia law and the Bond Purchase Agreement relating to authorization of the acquisition, construction and operation of the Project and the System, and issuance of the Series 2001 Bonds or will have so complied prior to issuance of any thereof, including, among other things, the approval by the Council (as hereinafter defined) of the Project and the financing thereof and the obtaining of a Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which has expired prior to the issuance of the Series 2001 Bonds or has been waived by all necessary parties.

M. The Sanitary Board of the Issuer has presented a petition to the Issuer for enactment of this Bond Legislation.

N. The Issuer has received the consent of the Authority, as the Holder of all of the Outstanding Series 1999 Bonds, to the Series 1999 Bonds Reserve Account created by the Series 1999 Bonds Ordinance also serving as a debt service reserve account for the Series 2001 Bonds. The Series 1999 Bonds Reserve Account shall hereafter be referred to as the Series 1999 and 2001 Bonds Reserve Account and the Series 1999 Bonds Ordinance is hereby supplemented and amended to provide that the Series 1999 Bonds Reserve Account shall serve as the debt service reserve account for both the Series 1999 Bonds and the Series 2001 Bonds so long as such Bonds are Outstanding.

O. The Project has been reviewed and determined to be technically and financially feasible by the Council (as hereinafter defined) as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2001 Bonds by those who shall be the registered owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer

shall be for the equal benefit, protection and security of the registered owners of any and all of such Bonds, as the case may be, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

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

"Authority" means the West Virginia Water Development Authority, or any other agency of the State of West Virginia that succeeds to the functions of the Authority, which is expected to be the original purchaser and Registered Owner of the Series 2001 Bonds, acting in its administrative capacity and upon authorization from the DEP under the Act.

"Authorized Officer" means the Mayor or any acting Mayor duly appointed as such by the Governing Body.

"Bond Purchase Agreement" shall mean the Water Pollution Control Revolving Fund Bond Purchase Agreement heretofore entered into or to be entered into by and among the Authority, the DEP and the Issuer, providing for the purchase of the Series 2001 Bonds from the Issuer by the Authority, attached hereto as Exhibit B, the form of which is approved, and the execution and delivery by the Issuer are authorized and directed by Section 3.11 hereof and by the Supplemental Resolution.

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

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

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

"Bonds" means, collectively, the Prior Bonds, the Series 2001 Bonds and, where appropriate, any Bonds on a parity therewith authorized to be issued hereunder or by another ordinance of the Issuer.

"Certificate of Authentication and Registration" means the certificate of authentication and registration on the Series 2001 Bonds in substantially the form set forth in the bond form contained herein.

"Closing Date" means the date upon which there is an exchange of the Series 2001 Bonds for an advance of more than a de minimis amount of the principal of the Series 2001 Bonds from the Authority and the DEP.

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

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

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

"Consulting Engineers" means Rummel, Klepper & Kahl, LLP, and Chester Engineers, or any professional engineer or firm of professional engineers, licensed by the State, who shall not be a regular, full-time employee of the State or any of its agencies, commissions or political subdivisions, that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System, or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended.

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

"Council" means the West Virginia Infrastructure and Jobs Development Council or any successor thereto.

"DEP" means the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment, or any agency, board or department of the State that succeeds to the functions of the DEP.

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

"Event of Default" means any occurrence or event specified in Section 9.01.

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

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

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

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America, including without limitation (i) such obligations which have been stripped from their unmatured interest coupons, interest coupons stripped from such obligations and receipts or certificates evidencing payments from such obligations or interest coupons stripped from such obligations, (ii) evidences of ownership of a proportionate interest in specified direct obligations of, or specified obligations which are unconditionally and fully guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian and (iii) obligations, the sole source of the payment of the principal of and interest on which are obligations of the nature of those described in clause (i), which are irrevocably pledged for such purposes.

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

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

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

"Issuer" means City of Keyser, a municipal corporation and political subdivision of the State of West Virginia, in Mineral County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer, the Sanitary Board and any other commission, board or department established by the Issuer to operate and maintain the System.

"Mayor" means the Mayor of the Issuer.

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

"Notes" means the line of credit notes of the Issuer described in Section 4.01 hereof.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those

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

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

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

"Paying Agent" means the West Virginia Municipal Bond Commission, or such entity or authority as may be designated by the Issuer with the consent of the Authority and the DEP.

"Prior Bonds" means, collectively, the Series 1980 Bonds, the Series 1986 Bonds and the Series 1999 Bonds.

"Prior Bonds Reserve Accounts" means the Reserve Account or Accounts established for the Series 1980 Bonds and Series 1986 Bonds in the Series 1980 Bonds Ordinance and Series 1986 Bonds Ordinance, respectively.

"Prior Bonds Sinking Funds" means the Sinking Fund or Funds established for the Prior Bonds in the Prior Ordinances.

"Prior Ordinances" means, collectively, the Series 1980 Bonds Ordinance, the Series 1986 Bonds Ordinance and the Series 1999 Bonds Ordinance.

"Project" means the project described in Exhibit A attached hereto, constituting additions, betterments and improvements to the existing sewerage system of the Issuer.

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

A. Government Obligations;

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

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

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

E. Money market funds or similar funds whose only assets are investments of the type described in paragraphs (A) through (D) above;

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

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

H. Obligations of States or political subdivisions or agencies thereof, the interest on which is exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Recorder" means the Recorder, City Clerk, or City Administrator of the Issuer.

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by the Prior Ordinances and continued by Section 5.01 hereof.

"Reserve Accounts" means, collectively, the Prior Bonds Reserve Accounts and the Series 1999 and 2001 Bonds Reserve Account.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in the Reserve Accounts for the Bonds.

"Revenue Fund" means the Revenue Fund established by the Prior Ordinances and continued by Section 5.01 hereof.

"Sanitary Board" means the Sanitary Board of the Issuer heretofore established by an ordinance duly enacted by the Issuer and any successor to the functions thereof.

"Series 1980 Bonds" means the Issuer's Sewer Revenue Bonds, Series 1980, dated September 14, 1981, issued in the original principal amount of $970,000.

"Series 1980 Bonds Ordinance" means the Bond Ordinance enacted by the Issuer on June 4, 1980, authorizing, among other things, the issuance of the Series 1980 Bonds, as supplemented and amended.

"Series 1986 Bonds" means the Issuer's Sewer Revenue Bonds, Series 1986, dated August 29, 1986, issued in the original principal amount of $1,647,465.

"Series 1986 Bonds Ordinance" means the Bond Ordinance enacted by the Issuer on July 14, 1986, authorizing the issuance of the Series 1986 Bonds, as supplemented and amended.

"Series 1999 Bonds" means the Issuer's Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program), dated November 16, 1999, issued in the original principal amount of $5,753,801.

"Series 1999 Bonds Ordinance" means the Bond and Interim Financing Ordinance enacted by the Issuer on November 15, 1999, authorizing the issuance of the Series 1999 Bonds, as supplemented and amended.

"Series 1999 and 2001 Bonds Reserve Account" means the Series 1999 Bonds Reserve Account established in the Series 1999 Bonds Sinking Fund pursuant to Section 5.02 of the Series 1999 Bonds Ordinance, which is to serve as the debt service reserve account for both the Series 1999 Bonds and the Series 2001 Bonds.

"Series 1999 and 2001 Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 1999 and Series 2001 Bonds in the then concurrent or any succeeding year.

"Series 2001 Bonds" means the not more than $523,072 in aggregate principal amount of Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), of the Issuer, authorized by this Ordinance.

"Series 2001 Bonds Construction Trust Fund" means the Series 2001 Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2001 Bonds Sinking Fund" means the Series 2001 Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the Prior Bonds Sinking Funds and the Series 2001 Bonds Sinking Fund.

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

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

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

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the Supplemental Resolution authorizing the sale of the Series 2001 Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2001 Bonds and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds, the Prior Bonds or any other obligations of the Issuer, as further defined in Section 5.03(D) hereof.

"System" means the complete properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, of the Issuer, and any improvements or extensions thereof, both within and without said Issuer.

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

Additional terms and phrases are defined in this Ordinance as they are used. Accounting terms not specifically defined herein shall be given meaning in accordance with generally accepted accounting principles.

Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

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

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

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized the acquisition and construction of the Project, at an estimated cost of $6,538,373, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2001 Bonds hereby authorized shall be applied as provided in Article VI hereof.

The Issuer has received bids or entered into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the SRF Program. The Issuer has entered into a contract or contracts for the acquisition and construction of the Project prior to the issuance of the Series 2001 Bonds.

The cost of the Project is estimated not to exceed $6,538,373, which is to be paid as follows: $523,072 from the proceeds of the Series 2001 Bonds, $5,753,801 from the proceeds of the Series 1999 Bonds and $261,500 from the excess revenues of the System described in Section 1.02E of the Series 1999 Bonds Ordinance.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2001 Bonds, funding a reserve account for the Series 2001 Bonds, paying Costs of the Project not otherwise provided for, and paying certain costs of issuance of the Series 2001 Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2001 Bonds of the Issuer, in an aggregate principal amount of not more than $523,072. The Series 2001 Bonds shall be issued as a single bond, to be designated "Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program)," in the aggregate principal amount of not more than $523,072, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2001 Bonds remaining after the funding of the Series 1999 and 2001 Bonds Reserve Account (if funded from the Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2001 Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2001 Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Bond Purchase Agreement. The Series 2001 Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2001 Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2001 Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2001 Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2001 Bonds shall be exchangeable at the option and expense of the Holder for other fully registered Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution or by a separate bond ordinance. The Bonds shall be dated as of the date specified in a Supplemental Resolution or separate bond ordinance and shall bear interest, if any, as provided in such Supplemental Resolution or separate bond ordinance.

Section 3.03. Execution of Bonds. The Series 2001 Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed any of the Series 2001 Bonds shall cease to be such officer of the Issuer before the Series 2001 Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2001 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2001 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2001 Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2001 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Series 2001 Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bond shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Series 2001 Bonds remain Outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain the books for the registration and transfer of the Series 2001 Bonds.

The registered Series 2001 Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing,

upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2001 Bonds or transferring the registered Series 2001 Bonds are exercised, Series 2001 Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2001 Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2001 Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2001 Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2001 Bonds or, in the case of any proposed redemption of Series 2001 Bonds, next preceding the date of the selection of Series 2001 Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2001 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2001 Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided and amounts, if any, in the Series 1999 and 2001 Bonds Reserve Account. No holder or holders of any of the Series 2001 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2001 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues, Lien Positions With Respect to Prior Bonds. The payment of the debt service of all the Series 2001 Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the

Prior Bonds and the Series 2001 Bonds and to make the payments into the Sinking Funds and the Reserve Accounts therein, are hereby irrevocably pledged to the payment of the principal of and interest on the Prior Bonds and the Series 2001 Bonds as the same become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2001 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2001 Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2001 Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2001 Bonds to the original purchasers;

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

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

E. The approving opinion of bond counsel on the Series 2001 Bonds.

Section 3.10. Form of Series 2001 Bonds. The text of the Series 2001 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Form of Series 2001 Bond]

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF KEYSER
SEWER REVENUE BOND,
SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

No. R-_____ $_____

KNOW ALL MEN BY THESE PRESENTS: That CITY OF KEYSER, a municipal corporation and political subdivision of the State of West Virginia in Mineral County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing on _____, ____, as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference, without interest.

The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____, 20__, as set forth on Exhibit B attached hereto. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The SRF Administrative Fee on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of the Registrar (as defined in the hereinafter described Bond Legislation) on the 15th day of the month next preceding a SRF Administrative Fee payment date, or by such other method as shall be mutually agreeable so long as the Authority is the registered owner hereof.

This Bond may only be redeemed prior to its stated date of maturity in whole or in part upon the terms and conditions prescribed by, and otherwise in compliance with, the Water Pollution Control Revolving Fund Bond Purchase Agreement among the Issuer, the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP") and the Authority, dated _____, 20__.

This Bond is issued (i) to permanently finance a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public sewerage facilities of the Issuer, the Project and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 20___, and a Supplemental Resolution duly adopted by the Issuer on _____, 20___ (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other securities provided for the Bonds of this Series (the "Bonds") under the Bond Legislation.

THIS BOND IS ISSUED ON PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH (1) THE SEWER REVENUE BONDS, SERIES 1980, OF THE ISSUER, DATED SEPTEMBER 14, 1981, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF $970,000 (THE "SERIES 1980 BONDS"); (2) THE SEWER REVENUE BONDS, SERIES 1986, OF THE ISSUER, DATED AUGUST 29, 1986, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF $1,647,465 (THE "SERIES 1986 BONDS"); AND (3) THE SEWER REVENUE BONDS, SERIES 1999 (WEST VIRGINIA SRF PROGRAM), OF THE ISSUER, DATED NOVEMBER 16, 1999, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF $5,753,801 (THE "SERIES 1999 BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of the Net Revenues in favor of the holders of the Series 1980 Bonds, the Series 1986 Bonds and the Series 1999 Bonds (collectively, the "Prior Bonds"), and from moneys in the Reserve Account created under the Bond Legislation for the Bonds and the Series 1999 Bonds (the "Series 1999 and 2001 Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1999 and 2001 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity

with the Bonds, including the Prior Bonds, provided however, that so long as there exists in the Series 1999 and 2001 Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds and the Series 1999 Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

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

IN WITNESS WHEREOF, CITY OF KEYSER has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its Recorder, and has caused this Bond to be dated _____, 20____.

CITY OF KEYSER

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2001 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____.

_____,
as Registrar

By_____
Its Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	Amount	Date		Amount	Date
(1)	$		(7)	$	
(2)	$		(8)	$	
(3)	$		(9)	$	
(4)	$		(10)	$	
(5)	$		(11)	$	
(6)	$		(12)	$	

Total $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

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

Dated: _____, 20_____.

_____

In the presence of:

_____

Section 3.11. Sale of Series 2001 Bonds; Approval and Ratification of Execution of Bond Purchase Agreement with Authority and DEP. The Series 2001 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous ordinance, the Mayor is specifically authorized and directed to execute the Bond Purchase Agreement in the form attached hereto as "Exhibit B" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the Bond Purchase Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Bond Purchase Agreement, including all schedules and exhibits thereto, are hereby approved and incorporated into this Bond Legislation.

Section 3.12. Series 2001 Bonds are Issued as Parity Bonds With Respect to Prior Bonds. The Series 2001 Bonds are issued as and shall constitute parity bonds with respect to the Prior Bonds. The Issuer has met the requirements of the Prior Ordinances for the issuance of the Series 2001 Bonds on a parity with the Prior Bonds and has received the written consent of the Holders of the Prior Bonds to the issuance of the Series 2001 Bonds on a parity with the Prior Bonds.

Section 3.13. "Amended Schedule A" Filing. Within sixty (60) days following the Completion Date, the Issuer will file with the Authority and the DEP a schedule, the form of which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

A. Revenue Fund (established by the Series 1980 Bonds Ordinance);

B. Series 1980 Bonds Reserve Account (established by the Series 1980 Bonds Ordinance);

C. Renewal and Replacement Fund (created by the Series 1986 Bonds Ordinance); and

D. Series 2001 Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued if previously established by the Prior Ordinances) with the Commission:

A. Series 1986 Bonds Sinking Fund (established by the Series 1986 Bonds Ordinance);

B. Within the Series 1986 Bonds Sinking Fund, the Series 1986 Bonds Reserve Account (established by the Series 1986 Bonds Ordinance);

C. Series 1999 Bonds Sinking Fund (established by the Series 1999 Bonds Ordinance);

D. Series 1999 and 2001 Bonds Reserve Account (established by the Series 1999 Bonds Ordinance as the Series 1999 Bonds Reserve Account); and

E. Series 2001 Bonds Sinking Fund.

Section 5.03. System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other

funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided.

1. The Issuer shall first, each month, pay from the moneys in the Revenue Fund all Operating Expenses of the System.

2. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously (i) remit to the National Finance Office the amount required by the Series 1980 Bonds Ordinance for payment of interest on the Series 1980 Bonds; and (ii) remit to the Commission the amount required by the Series 1986 Bonds Ordinance for deposit in the Series 1986 Bonds Sinking Fund for payment of interest on the Series 1986 Bonds.

3. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously (i) remit to the National Finance Office the amount required by the Series 1980 Bonds Ordinance for payment of principal of the Series 1980 Bonds; (ii) remit to the Commission the amount required by the Series 1986 Bonds Ordinance for deposit in the Series 1986 Bonds Sinking Fund for payment of principal of the Series 1986 Bonds; (iii) remit to the Commission the amount required by the Series 1999 Bonds Ordinance for deposit in the Series 1999 Bonds Sinking Fund for payment of principal of the Series 1999 Bonds; and (iv) commencing 3 months prior to the first date of payment of principal of the Series 2001 Bonds, remit to the Commission for deposit in the Series 2001 Bonds Sinking Fund, a sum equal to 1/3rd of the amount of principal which will mature and become due on the Series 2001 Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2001 Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

4. The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously (i) remit to the Depository Bank the amount required by the Series 1980 Bonds Ordinance to be deposited in the Series 1980 Bonds Reserve Account; (ii) remit to the Commission the amount required by the Series 1986 Bonds Ordinance to be deposited in the Series 1986 Bonds Reserve Account; and (iii) commencing 3 months prior to the first date of payment of principal of the Series 1999 Bonds, if not fully funded upon the issuance of the Series 1999 Bonds or Series 2001 Bonds, remit to the Commission for deposit in the Series 1999 and 2001 Bonds Reserve Account, an amount equal to 1/120th of the Series 1999 and 2001 Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 1999 and 2001 Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1999 and 2001 Bonds Reserve Requirement.

5. The Issuer shall next, from the moneys remaining in the Revenue Fund, on the first day of each month, as previously set forth in the Series 1986 Bonds Ordinance and not in addition thereto, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the

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

Moneys in the Series 2001 Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2001 Bonds as the same shall become due. Moneys in the Series 1999 and 2001 Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 1999 Bonds and the Series 2001 Bonds, as the same shall come due, when other moneys in the Series 1999 Bonds Sinking Fund and Series 2001 Bonds Sinking Fund are insufficient therefor, and for no other purpose; provided that, upon the occurrence of an Event of Default as described in Section 9.01 hereof, the moneys on deposit in the Series 1999 and 2001 Bonds Reserve Account shall be paid on the principal of the Series 1999 Bonds and the Series 2001 Bonds pro rata, based upon the respective amounts of principal Outstanding on said Series 1999 Bonds and Series 2001 Bonds, after application to the respective series of Bonds of the moneys on deposit in the Series 1999 Bonds Sinking Fund and the Series 2001 Bonds Sinking Fund, respectively.

All investment earnings on moneys in the Series 2001 Bonds Sinking Fund and Series 1999 and 2001 Bonds Reserve Account (if equal to at least the Series 1999 and 2001 Bonds Reserve Requirement) shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2001 Bonds Construction Trust Fund, and following completion of construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing principal payment due on the Series 1999 Bonds, and then to the next ensuing principal payment on the Series 2001 Bonds.

Any withdrawals from the Series 1999 and 2001 Bonds Reserve Account which result in a reduction in the balance of the Series 1999 and 2001 Bonds Reserve Account to below the Series 1999 and 2001 Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2001 Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2001 Bonds Sinking Fund or into the Series 1999 and 2001 Bonds Reserve Account when the aggregate amount of funds in said Series 2001 Bonds Sinking Fund, the Series 1999 Bonds Sinking Fund and Series 1999 and 2001 Bonds Reserve Account are at least equal to the aggregate principal amount of the Series 1999 Bonds and Series 2001 Bonds then Outstanding and all interest to accrue until the respective maturities thereof.

Principal, interest and reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2001 Bonds, in accordance with the respective principal amounts then Outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2001 Bonds Sinking Fund and the Series 1999 and 2001 Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Moneys in the Series 2001 Bonds Sinking Fund and the Series 1999 and 2001 Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2001 Bonds Sinking Fund shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 2001 Bonds under the conditions and restrictions set forth herein. The Series 1999 and 2001 Bonds Reserve Account shall be used solely and only for, and is hereby pledged for, the purpose of servicing the Series 1999 Bonds and the Series 2001 Bonds when the amounts in the Series 1999 Bonds Sinking Fund and the Series 2001 Bonds Sinking Fund, respectively, are not adequate to do so.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve account payments with respect to the Series 2001 Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission, the SRF Administrative Fee as set forth in the Schedule Y attached to the Bond Purchase Agreement.

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

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

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

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

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

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

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

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the moneys received from time to time from the sale of any or all of the Series 2001 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2001 Bonds, there shall first be deposited with the Commission in the Series 2001 Bonds Sinking Fund, the amount, if any, specified in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2001 Bonds for the period commencing on the date of issuance of the Series 2001 Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2001 Bonds, there shall be deposited with the Commission in the Series 1999 and 2001 Bonds Reserve Account the sum, if any, set forth in the Supplemental Resolution for funding of the Series 1999 and 2001 Bonds Reserve Account.

C. Next, from the proceeds of the Series 2001 Bonds, there shall first be credited to the Series 2001 Bonds Construction Trust Fund and then paid, any and all borrowings by the Issuer made for the purpose of temporarily financing a portion of the Costs of the Project, together with interest accrued thereon to the date of such payment, not otherwise paid from funds of the Issuer.

D. As the Issuer receives advances of the remaining moneys derived from the sale of the Series 2001 Bonds, such moneys shall be deposited with the Depository Bank in the Series 2001 Bonds Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02.

E. After completion of construction of the Project, as certified by the Consulting Engineers, and all Costs have been paid, any remaining proceeds of the Series 2001 Bonds shall be used to fund the Series 1999 and 2001 Bonds Reserve Account, if not funded upon issuance of the Series 1999 Bonds or the Series 2001 Bonds, in an amount not to exceed the Series 1999 and 2001 Bonds Reserve Requirement; provided that, in no event shall more than 10% of the proceeds of the Series 2001 Bonds be deposited in the Series 1999 and 2001 Bonds Reserve Account, and if any such proceeds remain after funding the Series 1999 and 2001 Bonds Reserve Account, the same shall be expended as directed by the Authority and DEP.

F. The Depository Bank shall act as a trustee and fiduciary for the Holder of the Series 2001 Bonds with respect to the Series 2001 Bonds Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Series 2001 Bonds Construction Trust

Fund set forth in the Bond Legislation. Moneys in the Series 2001 Bonds Construction Trust Fund shall be used solely to pay Costs of the Project and until so transferred or expended, are hereby pledged as additional security for the Series 2001 Bonds.

Section 6.02. Disbursements From the Series 2001 Bonds Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the DEP and the Authority a report listing the specific purposes for which the proceeds of the Series 2001 Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2001 Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Authority and DEP of the following:

A. A "Payment Requisition Form," the form of which is attached to the Bond Purchase Agreement as Exhibit C, in compliance with the construction schedule; and

B. A certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

1. None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

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

3. Each of such costs has been otherwise properly incurred; and

4. Payment for each of the items proposed is then due and owing.

All payments made from the Series 2001 Bonds Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Series 2001 Bonds Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

Pending such application, moneys in the Series 2001 Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

After completion of the Project, as certified by the Consulting Engineers, the Depository Bank shall transfer any moneys remaining in the Series 2001 Bonds Construction Trust Fund to the Series 1999 and 2001 Bonds Reserve Account, and when fully funded any such remaining moneys shall be expended as directed by the Authority and DEP.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2001 Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2001 Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of said Series 2001 Bonds or the interest thereon, if any, is Outstanding and unpaid.

Section 7.02. Series 2001 Bonds not to be Indebtedness of the Issuer. The Series 2001 Bonds shall not be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any of the Series 2001 Bonds shall ever have the right to compel the exercise of the taxing power, if any, of the Issuer to pay the Series 2001 Bonds or the interest, if any, thereon.

Section 7.03. Series 2001 Bonds Secured by Pledge of Net Revenues; Lien Positions With Respect to Prior Bonds. The payment of the debt service of the Series 2001 Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. Net Revenues derived from the System, in an amount sufficient to pay the principal of and interest, if any, on the Prior Bonds and the Series 2001 Bonds and to make the payments into all funds and accounts, and all other payments provided for in the Bond Legislation and the Prior Ordinances are hereby irrevocably pledged, in the manner provided herein, to such payments as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Bond Purchase Agreement. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth, adopted and approved in the Ordinance enacted by the Issuer on January 28, 1999.

So long as the Series 2001 Bonds are Outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Purchase Agreement. In the event the schedule of rates and charges

initially established for the System in connection with the Series 2001 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are Outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of the System, or any part thereof, except as provided in the Prior Ordinances. Additionally, so long as the Series 2001 Bonds are Outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Series 2001 Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2001 Bonds, immediately be remitted to the Commission for deposit in the Series 2001 Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2001 Bonds. Any balance remaining after the payment of all the Series 2001 Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

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

therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and in Section 7.07, so long as any of the Series 2001 Bonds are Outstanding, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2001 Bonds. All obligations issued by the Issuer after the issuance of the Series 2001 Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2001 Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein at the time of the issuance of such subordinate obligations have been made and are current. Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2001 Bonds, and the interest thereon, if any, upon any of the income and revenues of the System pledged for payment of the Series 2001 Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds.

So long as any of the Prior Bonds are Outstanding, the limitations on the issuance of parity obligations set forth in the respective Prior Ordinances shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2001 Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP or without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2001 Bonds, and must have the prior written consent of the Authority and the DEP.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, improvements or betterments to the System or

refunding one or more series of the Prior Bonds and/or the Series 2001 Bonds, or both such purposes.

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

(1) The Bonds then Outstanding;

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

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

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

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

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond of one series over any other Bond of the same series. The Issuer shall

comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

All Parity Bonds shall mature on the day of the years of maturities, and the interest thereon shall be payable on the days of each year, specified in a Supplemental Resolution.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2001 Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2001 Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation and the Prior Ordinances with respect to the Series 2001 Bonds and Prior Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

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

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

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

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

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

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

B. A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation with respect to said Bonds and the status of all said funds and accounts.

C. The amount of any Bonds or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds and shall submit said report to the Authority and the DEP, or any other original purchaser of the Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Bond Purchase Agreement and this Bond Legislation, and that the Issuer's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements.

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

The Issuer shall permit the Authority and the DEP, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operation of the Project, the Issuer shall also

provide the Authority and the DEP, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the DEP with respect to the System pursuant to the Act.

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

Section 7.09. Rates. Prior to the issuance of the Series 2001 Bonds, equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2001 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2001 Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit, respectively, in the Series 1999 and 2001 Bonds Reserve Account and reserve accounts for obligations on a parity with the Series 2001 Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2001 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2001 Bonds, including the Prior Bonds.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the DEP within 30 days of adoption thereof. The Issuer, by the unanimous consent and approval of the Governing Body, may amend the budget during the subject Fiscal Year provided that the budget remains balanced after such amendment. If the budget is so amended, a copy of the amended budget shall be submitted to the Authority and the DEP within 15 days of the adoption of such amendment. After the adoption of any such amendment, the budget, as amended, shall be the budget of the Issuer for the balance of the subject Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers,

which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget, any amendments thereto and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the DEP and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets, any amendments thereto and resolutions be furnished him or her and shall make available such budgets, any amendments thereto and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

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

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

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

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

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the DEP when the Project is 90% completed.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and agrees that it will retain such a certified operator to operate the System so long as the Series 2001 Bonds are Outstanding. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

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

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

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

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving

like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. The Issuer will carry such insurance and in such amounts as is customarily carried with respect to works and properties similar to the System, with a reputable insurance carrier or carriers, against loss or damage by fire, explosion, hurricane, earthquake, cyclone, occupancy or other hazards and risks. The Issuer will require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority and the DEP, so long as the Authority is the Owner of the Bonds. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their interests may appear, in accordance with the Bond Purchase Agreement, during construction of the Project in the full insurable value thereof. In time of war, the Issuer shall also carry in said amount such insurance as may be available against loss or damage by the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repair and restoration of the damaged or destroyed properties or for the other purposes provided herein for said Renewal and Replacement Fund. The Issuer will also carry liability insurance for damage or injury to persons or property in amounts adequate for such purposes and customarily carried with respect to works and properties similar to the System. The Issuer shall carry such other insurance as is required by the Authority and DEP and as set forth in the Bond Purchase Agreement, including but not limited to flood insurance and business interruption insurance, to the extent available at reasonable cost to the Issuer. The Issuer shall verify such insurance prior to commencement of construction.

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

Section 7.16. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Division of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use

of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Division of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

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

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

The Issuer has obtained all permits required by state and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project and the operation of the System, and all approvals for issuance of the Series 2001 Bonds required by state law, with all requisite appeal periods having expired without successful appeal.

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

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

Section 7.19. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.20. Covenants with Respect to Erosion and Wetlands. The Issuer covenants and agrees that the Project shall not contribute to excessive erosion of highly erodible land or conversion of wetlands to produce an agricultural commodity.

Section 7.21. Contracts; Public Releases. A. The Issuer shall, prior to or simultaneously with the delivery of the Series 2001 Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2001 Bonds held in "contingency" as set forth in the amended schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2001 Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often if reasonably requested by the Issuer), a summary of such funds, accounts, and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Bonds are Outstanding.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2001 Bonds as a condition to issuance of the Series 2001 Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2001 Bonds as may be necessary in order to maintain the status of the Series 2001 Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2001 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, the Council or the DEP, as the case may be, from which the proceeds of the Series

2001 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, the Council or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2001 Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2001 Bonds:

A. If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2001 Bonds; or

B. If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2001 Bonds, set forth in this Bond Legislation, any supplemental resolution or in the Series 2001 Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond; or

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

D. If default occurs with respect to the Prior Bonds or the Prior Ordinances.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Holders of the Bonds, including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Holders of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that all rights and remedies of the Holders of the Series 2001 Bonds shall be on a parity with the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Holder of a Bond, may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Holder of a Bond, shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the

acquisition and construction of the Project on behalf of the Issuer with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other avenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Series 2001 Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of all Series 2001 Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2001 Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to the issuance of the Series 2001 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2001 Bonds, no material modification or amendment of this Bond Legislation, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2001 Bonds shall be made without the consent in writing of the Holders of the Series 2001 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds required for consent to the above-permitted amendments or modifications.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Holders of the Series 2001 Bonds and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution, or the Series 2001 Bonds.

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

Section 11.05. Conflicting Provisions Repealed. Except for the Prior Ordinances, all ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed. In the event of any conflict between this Ordinance and the respective Prior Ordinances (so long as the respective Prior Bonds are Outstanding), the more restrictive provision shall control.

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

actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance, substantially in the form attached hereto as Exhibit C, which is determined by the Issuer to contain sufficient information as to give notice of the contents hereof, shall be published once a week for 2 successive weeks within a period of 14 consecutive days, with at least 6 full days intervening between each publication, in a qualified newspaper published and of general circulation in the City of Keyser, together with the notice set forth therein stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2001 Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than 10 days subsequent to the date of the first publication of the said abstract and notice, and present protests, and that a certified copy of the Ordinance is on file in the office of the Recorder for review by interested parties during the office hours of the Recorder.

At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.08. Effective Date. This Ordinance shall take effect following the public hearing described in Section 11.07 above.

Passed on First Reading	January 3, 2001
Passed on Second Reading	January 10, 2001
Effective following public hearing held on	January 24, 2001

Mayor

City Clerk/City Administrator

Exhibit A

DESCRIPTION OF PROJECT

The acquisition and construction of certain additions, betterments and improvements to the Issuer's existing public sewerage facilities, in the City of Keyser (the "City"), Mineral County, West Virginia, consisting of improvements to the City's wastewater treatment plant, pump station improvements, fuel storage tank removal and replacement, line replacement and improvements, inflow and infiltration construction and equipment, a lateral pipeline from the Keyser pump station to the sewer treatment facility, and related appurtenance and improvements.

Exhibit B

BOND PURCHASE AGREEMENT

[See Tab Number 3]

Exhibit C

NOTICE OF PUBLIC HEARING

CITY OF KEYSER
NOTICE OF PUBLIC HEARING
ON SEWER BOND ORDINANCE

A public hearing will be held on the following entitled Ordinance at a regular meeting of the Council of the City of Keyser to be held on January 24, 2001, at _____ __.m., in the Council Chambers at the Keyser City Hall, 111 North Davis Street, Keyser, West Virginia, and at such hearing all objections and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

> ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF KEYSER AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF KEYSER OF NOT MORE THAN FIVE HUNDRED TWENTY-THREE THOUSAND SEVENTY-TWO DOLLARS ($523,072.00) IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF KEYSER SEWER REVENUE BONDS, SERIES 2001 (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT WITH THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY AND THE WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS; AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above-entitled Ordinance was enacted by the Council of the City of Keyser upon petition of the Sanitary Board of the City on January 10, 2001.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bond issue contemplated thereby. The Bonds are to provide permanent financing of a portion of the costs of acquisition and construction of certain improvements to the sewage treatment and collection facilities for the City of Keyser. The Bonds are payable solely from revenues derived from the ownership and operation of the sewerage system of the City of Keyser. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-entitled Ordinance is on file at the office of the Recorder of the City of Keyser for review by interested parties during regular office hours.

Following the said public hearing, the City Council intends to put said Ordinance into effect.

Dated: January 10, 2001.

/s/ _____, City Administrator

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Common Council of the CITY OF KEYSER on the 24th day of January, 2001.

Dated: February 13, 2001.

N Edward Taylor II
City Clerk/City Administrator

[SEAL]

GBB.GBB.0075287

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, INTEREST RATE, DATE, MATURITY DATE, REDEMPTION PROVISIONS, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2001 (WEST VIRGINIA SRF PROGRAM) OF THE CITY OF KEYSER; AUTHORIZING, RATIFYING AND APPROVING A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A BOND REGISTRAR, DEPOSITORY BANK AND PAYING AGENT; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City Council (the "Governing Body") of the City of Keyser (the "Issuer") has duly and officially enacted an Ordinance, on January 10, 2001, and has put such Ordinance into effect following a public hearing held on this date (the "Ordinance") entitled:

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE FACILITIES OF THE CITY OF KEYSER AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF KEYSER OF NOT MORE THAN FIVE HUNDRED TWENTY-THREE THOUSAND SEVENTY-TWO DOLLARS ($523,072.00) IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF KEYSER SEWER REVENUE BONDS, SERIES 2001 (WEST VIRGINIA SRF PROGRAM); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE HOLDERS OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A BOND PURCHASE AGREEMENT WITH THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY AND THE WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND

PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS; AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Ordinance provides for the issuance of Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) of the Issuer (the "Series 2001 Bonds"), in an aggregate principal amount not to exceed $523,072.00, and has authorized the execution and delivery of a bond purchase agreement relating to the Series 2001 Bonds dated December 15, 2000 (sometimes referred to herein as the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP"), all in accordance with Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Ordinance it is provided that the form of the Bond Purchase Agreement and exact principal amount, interest rate, date, maturity date, redemption provisions, interest and principal payment dates, sale price and other terms of the Series 2001 Bonds should be established by a supplemental resolution pertaining to the Series 2001 Bonds; and that other matters relating to the Series 2001 Bonds be herein provided for;

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

WHEREAS, the Series 2001 Bonds are proposed to be purchased by the Authority pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bond Purchase Agreement be ratified, approved and entered into by the Issuer, that the exact principal amount, interest rate, date, maturity date, redemption provisions, interest and principal payment dates, sale price and other terms of the Series 2001 Bonds should be fixed hereby in the manner stated herein, and that other matters relating to the Series 2001 Bonds be herein provided for;

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

Section 1. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) of the Issuer, originally represented by a single bond, numbered R-1, in the principal amount of $523,072. The Series 2001 Bonds shall be dated the date of delivery thereof, shall finally mature on March 1, 2025, and shall bear no interest. The principal of the Series 2001 Bonds shall be payable in quarterly installments on March 1, June 1, September 1 and

December 1 of each year, commencing June 1, 2023 and ending March 1, 2025, and in the amounts set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made part of the Series 2001 Bonds. The Series 2001 Bonds shall be subject to redemption upon the consent of the Authority and DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, as long as the Authority shall be registered owner of the Series 2001 Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee set forth in the "Schedule Y" attached to the Bond Purchase Agreement.

Section 2. All other provisions relating to the Series 2001 Bonds and the text of the Series 2001 Bonds shall be in substantially the form provided in the Ordinance.

Section 3. The Issuer does hereby authorize, ratify, approve and accept the Bond Purchase Agreement, a copy of which is incorporated herein by reference, and the execution and delivery by the Mayor and the Recorder of the Bond Purchase Agreement, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, ratified, approved and directed. The price of the Series 2001 Bonds shall be 100% of par value, there being no interest accrued thereon, provided that, the proceeds of the Series 2001 Bonds shall be advanced from time to time as requisitioned by the Issuer, and at closing there shall be requisitioned and advanced a portion of the proceeds in the amount of $26,154, being more than a de minimis amount. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the application to the DEP and the Authority.

Section 4. The Issuer hereby agrees to comply with the special conditions set forth in Exhibit E to the Bond Purchase Agreement.

Section 5. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Charleston, West Virginia, to serve as Registrar for the Series 2001 Bonds under the Ordinance.

Section 6. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2001 Bonds under the Ordinance.

Section 7. The Issuer does hereby appoint and designate F&M Bank-West Virginia, Inc., Keyser, West Virginia, to serve as Depository Bank under the Ordinance.

Section 8. Series 2001 Bonds proceeds in the amount of $-0- shall be deposited in the Series 2001 Bonds Sinking Fund as capitalized interest.

Section 9. Series 2001 Bonds proceeds in the amount of $-0- shall be deposited in the Series 1999 and 2001 Bonds Reserve Account.

Section 10. The remaining proceeds of the Series 2001 Bonds shall be deposited in the Series 2001 Bonds Construction Trust Fund as received from time to time for payment of costs of the Project and payment of cost of issuance of the Series 2001 Bonds.

Section 11. The Mayor and Recorder are hereby authorized and directed to execute and deliver the Series 2001 Bonds and such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2001 Bonds hereby and by the Ordinance approved and provided for, and to affix thereon the seal of the Issuer, as appropriate, to the end that the Series 2001 Bonds may be delivered to the Authority pursuant to the Bond Purchase Agreement on or about February 13, 2001.

Section 12. The acquisition and construction of the Project and the permanent financing of the Costs thereof with the proceeds of the Series 2001 Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. The Issuer hereby determines that it is in the best interest of the Issuer to invest all monies in the funds and accounts established by the Ordinance held by the Depository Bank in time deposits of the Depository Bank meeting the requirements set forth under the definition of "Qualified Investments" in the Ordinance and therefore the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such time deposits, until further directed by the Issuer. Monies in the Series 2001 Bonds Sinking Fund and the Series 1999 and 2001 Bonds Reserve Account shall be invested by the Commission in the West Virginia Consolidated Fund.

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

Adopted this 24th day of January, 2001.

CITY OF KEYSER

Roger C. Jewell

Mayor

[SEAL]

ATTEST:

N Edward Taylor II

City Clerk/City Administrator

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the City Council of the City of Keyser on the 24th day of January, 2001.

Dated: February 13, 2001.

[SEAL]

City Clerk/City Administrator

GBB.GBB.0075947

SRF-BPA-1
(4/6/00)

BOND PURCHASE AGREEMENT

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

CITY OF KEYSER
(Local Government)

W I T N E S S E T H:

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

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

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

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

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

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

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

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

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

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

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

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

security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property is approved by DEP and the Authority.

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

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

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

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

2.8 The Local Government shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Authority and DEP and shall verify or have verified such insurance prior to commencement of construction. Until the Project

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

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

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

2.11 The Local Government hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Authority, DEP or other State, federal

or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

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

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

ARTICLE III

Conditions to Purchase of Local Bonds; Issuance of Local Bonds

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

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

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

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

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

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

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

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

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

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and

DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

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

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

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

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

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

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

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3)

of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

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

(b) Covenants substantially as follows:

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

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

parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

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

(iv) That, except as otherwise required by State law or the SRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole or substantially as a whole, provided that the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of such System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

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

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

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

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Government under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or

construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

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

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

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

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

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

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

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

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

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

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

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

Engineer. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

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

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

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

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

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

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

ARTICLE V

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

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

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

5.3 In the event the Local Government defaults in any payment due to the Authority pursuant to Section 4.2 hereof, the amount of such default shall bear interest at the interest rate of the installment of the Local Bonds next due, from the date of the default until the date of the payment thereof.

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

ARTICLE VI

Other Agreements of the Local Government

6.1 The Local Government hereby acknowledges to the Authority and DEP its understanding of the provisions of the Act, vesting in the Authority and DEP certain powers, rights and privileges with respect to wastewater treatment projects in the event of default by the Local Government in the terms and covenants of this Bond Purchase Agreement, and the Local Government hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Government shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Bond Purchase Agreement.

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

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

6.4 The Local Government hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Local Government fails to make any such rebates as required, then the Local Government shall pay any and all penalties,

obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

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

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

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

ARTICLE VII

Miscellaneous

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

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

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

7.4 No waiver by any party of any term or condition of this Bond Purchase Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor

shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Bond Purchase Agreement.

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

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

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

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

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

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

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

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

CITY OF KEYSER
[Name of Local Government]

(SEAL)

By: Roger C. Bowles
Its: Mayor

Attest:

Date: 12-15-00

N. Edward Taylor
Its Recorder 2-13-01

WEST VIRGINIA DIVISION OF ENVIRONMENTAL PROTECTION

By: Allyn R. Turner
Its: Chief, Office of Water Resources

Date: 12-28-00

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: David B. Graham
Its: Director

Attest:

Date: December 15, 2000

Barbara B Meadows
Secretary-Treasurer

EXHIBIT A

[Form of Performance Certificate]

[TO BE PROVIDED BY DEP]

EXHIBIT B

[Form of Monthly Financial Report]
[Name of Local Government]
[Name of Bond Issue]
Fiscal Year - __
Report Month: _____

ITEM	CURRENT MONTH	TOTAL YEAR TO DATE	BUDGET YEAR TO DATE	BUDGET YEAR MINUS YEAR TO DATE
1. Gross Revenues Collected				
2. Operating Expenses				
3. Other Bond Debt Payments (including Reserve Account Deposits)				
4. SRF Bond Payments (include Reserve Account Deposits)				
5. Renewal and Replacement Fund Deposit				

Witnesseth my signature this ___ day of _____, _____.

[Name of Local Government]

By: _____
Authorized Officer

Instructions for Completing Monthly Financial Report

1. You will need a copy of the current fiscal year budget adopted by the Local Government to complete Items 1 and 2. In Item 1, provide the amount of actual gross revenues for the current month and the total amount year to date in the respective columns. Divide the budgeted annual gross revenues by 12. For example, if gross revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 (1200/12). This is the incremental amount for the Budget Year to Date column.

2. In Item 2, provide the amount of actual operating expenses for the current month and the total amount year to date in the respective columns. The SRF administrative fee should be included in the operating expenses. Divide the budgeted annual operating expenses by 12. For example, if operating expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 (900/12). This is the incremental amount for the Budget Year to Date column.

3. In Item 3, provide the principal, interest and reserve account payments for all the outstanding bonds of the Local Government other than this Bond.

4. In Item 4, provide the principal, interest and reserve account payments for this Bond. You need to call the Municipal Bond Commission for the exact amount of these payments and when they begin.

5. In Item 5, provide the amount deposited into the Renewal and Replacement Fund each month. This amount is equal to 2.5% of gross revenues minus the total reserve account payments included in Items 3 and 4. If gross revenues are $12,000, the Renewal and Replacement Fund should have an amount of $300 (2.5% of $12,000), LESS the amount of all reserve account payments in Items 3 & 4. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Local Government.

6. The Local Government must complete the Monthly Financial Report and forward it to the DEP by the 10th day of each month, commencing on the date contracts are executed for the construction of the Project and for 2 years following the completion of the Project. DEP will notify the Local Government when the Monthly Financial Report no longer needs to be filed.

EXHIBIT C

PAYMENT REQUISITION FORM

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

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

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

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

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

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

Schedule A attached hereto as Exhibit A, and my firm[1] has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof[2], the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Bond Purchase Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

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

_____

By _____

West Virginia License No. __

[SEAL]

---

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

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

EXHIBIT E

SPECIAL CONDITIONS

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

B. AUDIT REQUIREMENT (Supplement to Article IV 4.1 (b) (xi)) - The Local Government that receives $300,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

C. THE DEBT SERVICE reserve fund created under the 1999 bond shall be continued on this 2001 bond.

D. PRIOR TO CLOSING a final certificate from the Public Service Commission and parity consent from the USDA – RUS will be required.

EXHIBIT F

[Monthly Payment Form]

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest	$_____
Principal	$_____
Total:	$_____
Reserve Account:	$_____

Witness my signature this ___ day of_____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

[Opinion of Bond Counsel for Local Government]

[To Be Dated as of Date of Closing]

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

West Virginia Division of Environmental Protection
617 Broad Street
Charleston, WV 25301

Ladies and Gentlemen:

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

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

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

We have also examined the applicable provisions of _____ of the

Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Local Government on _____, as supplemented by the supplemental resolution duly adopted by the Local Government on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Bond Purchase Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Bond Purchase Agreement.

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

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

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

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

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

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

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

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	$ 523,072
Purchase Price of Local Bonds	$ 523,072

The Local Bonds shall bear no interest. Commencing June 1, 2023, principal of the Local Bonds is payable quarterly, with a quarterly administrative fee of $356.00. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Local Government shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local Government shall commence the payment of the 1/120 of the maximum annual debt service on the first day of the month it makes its first monthly payment to the Commission. The Local Government shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

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

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

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

USDA, RUS - Sewer Revenue Bonds, Series 1980, issued September 14, 1981, in the original principal amount of $970.000.

Water Development Authority - Sewer Revenue Bonds, Series 1986, issued August 29, 1986, in the original principal amount of $1,647,465.

Water Development Authority - Sewer Revenue Bonds, Series 1999, issued in the original principal amount of $5,753,801 (West Virginia SRF Program).

City of Keyser (West Virginia)

Loan of $523,072
0% Interest Rate, $356 Quarterly Administrative Fee
Closing Date: February 13, 2001

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I	Expenses	Net New D/S
3/01/2001	-	-	-	-	-
6/01/2001	-	-	-	-	-
9/01/2001	-	-	-	-	-
12/01/2001	-	-	-	356.00	356.00
3/01/2002	-	-	-	356.00	356.00
6/01/2002	-	-	-	356.00	356.00
9/01/2002	-	-	-	356.00	356.00
12/01/2002	-	-	-	356.00	356.00
3/01/2003	-	-	-	356.00	356.00
6/01/2003	-	-	-	356.00	356.00
9/01/2003	-	-	-	356.00	356.00
12/01/2003	-	-	-	356.00	356.00
3/01/2004	-	-	-	356.00	356.00
6/01/2004	-	-	-	356.00	356.00
9/01/2004	-	-	-	356.00	356.00
12/01/2004	-	-	-	356.00	356.00
3/01/2005	-	-	-	356.00	356.00
6/01/2005	-	-	-	356.00	356.00
9/01/2005	-	-	-	356.00	356.00
12/01/2005	-	-	-	356.00	356.00
3/01/2006	-	-	-	356.00	356.00
6/01/2006	-	-	-	356.00	356.00
9/01/2006	-	-	-	356.00	356.00
12/01/2006	-	-	-	356.00	356.00
3/01/2007	-	-	-	356.00	356.00
6/01/2007	-	-	-	356.00	356.00
9/01/2007	-	-	-	356.00	356.00
12/01/2007	-	-	-	356.00	356.00
3/01/2008	-	-	-	356.00	356.00
6/01/2008	-	-	-	356.00	356.00
9/01/2008	-	-	-	356.00	356.00
12/01/2008	-	-	-	356.00	356.00
3/01/2009	-	-	-	356.00	356.00
6/01/2009	-	-	-	356.00	356.00
9/01/2009	-	-	-	356.00	356.00
12/01/2009	-	-	-	356.00	356.00
3/01/2010	-	-	-	356.00	356.00
6/01/2010	-	-	-	356.00	356.00
9/01/2010	-	-	-	356.00	356.00
12/01/2010	-	-	-	356.00	356.00
3/01/2011	-	-	-	356.00	356.00
6/01/2011	-	-	-	356.00	356.00
9/01/2011	-	-	-	356.00	356.00
12/01/2011	-	-	-	356.00	356.00
3/01/2012	-	-	-	356.00	356.00
6/01/2012	-	-	-	356.00	356.00

City of Keyser (West Virginia)

Loan of $523,072

0% Interest Rate, $356 Quarterly Administrative Fee

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I	Expenses	Net New D/S
9/01/2012	-	-	-	356.00	356.00
12/01/2012	-	-	-	356.00	356.00
3/01/2013	-	-	-	356.00	356.00
6/01/2013	-	-	-	356.00	356.00
9/01/2013	-	-	-	356.00	356.00
12/01/2013	-	-	-	356.00	356.00
3/01/2014	-	-	-	356.00	356.00
6/01/2014	-	-	-	356.00	356.00
9/01/2014	-	-	-	356.00	356.00
12/01/2014	-	-	-	356.00	356.00
3/01/2015	-	-	-	356.00	356.00
6/01/2015	-	-	-	356.00	356.00
9/01/2015	-	-	-	356.00	356.00
12/01/2015	-	-	-	356.00	356.00
3/01/2016	-	-	-	356.00	356.00
6/01/2016	-	-	-	356.00	356.00
9/01/2016	-	-	-	356.00	356.00
12/01/2016	-	-	-	356.00	356.00
3/01/2017	-	-	-	356.00	356.00
6/01/2017	-	-	-	356.00	356.00
9/01/2017	-	-	-	356.00	356.00
12/01/2017	-	-	-	356.00	356.00
3/01/2018	-	-	-	356.00	356.00
6/01/2018	-	-	-	356.00	356.00
9/01/2018	-	-	-	356.00	356.00
12/01/2018	-	-	-	356.00	356.00
3/01/2019	-	-	-	356.00	356.00
6/01/2019	-	-	-	356.00	356.00
9/01/2019	-	-	-	356.00	356.00
12/01/2019	-	-	-	356.00	356.00
3/01/2020	-	-	-	356.00	356.00
6/01/2020	-	-	-	356.00	356.00
9/01/2020	-	-	-	356.00	356.00
12/01/2020	-	-	-	356.00	356.00
3/01/2021	-	-	-	356.00	356.00
6/01/2021	-	-	-	356.00	356.00
9/01/2021	-	-	-	356.00	356.00
12/01/2021	-	-	-	356.00	356.00
3/01/2022	-	-	-	356.00	356.00
6/01/2022	-	-	-	356.00	356.00
9/01/2022	-	-	-	356.00	356.00
12/01/2022	-	-	-	356.00	356.00
3/01/2023	-	-	-	356.00	356.00
6/01/2023	65,384.00	-	65,384.00	356.00	65,740.00
9/01/2023	65,384.00	-	65,384.00	356.00	65,740.00
12/01/2023	65,384.00	-	65,384.00	356.00	65,740.00

City of Keyser (West Virginia)

Loan of $523,072

0% Interest Rate, $356 Quarterly Administrative Fee

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I	Expenses	Net New D/S
3/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
6/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
9/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
12/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
3/01/2025	65,384.00	-	65,384.00	356.00	65,740.00
Total	523,072.00	-	523,072.00	33,464.00	556,536.00

990014alj012301.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: January 23, 2001

CASE NO. 99-0014-S-CN (Reopened)

KEYSER SEWER DEPARTMENT
Application for a certificate of convenience and necessity to construct sewer system improvements at Keyser, Mineral County.

RECOMMENDED DECISION

On January 7, 1999, the Keyser Sewer Department (Keyser or Applicant) filed an application for a certificate of convenience and necessity to construct certain improvements to its sewer collection and treatment system in order to bring the City of Keyser's sewer system into compliance with its current permits.

On July 30, 1999, a Recommended Decision was entered granting the application subject to receipt of an NPDES Permit modification from the West Virginia Division of Environmental Protection and the receipt of long-term financing from the State Revolving Fund (SRF). The decision directed that the Applicant notify the Commission if there was any change in the cost, scope, terms and conditions or financing of the project, and that the Applicant seek Commission approval of said change prior to commencing construction. The decision became a final order of the Commission on August 19, 1999.

On September 13, 1999, the Applicant filed a petition with the Commission to reopen its certificate case and revise the previously approved financing of this project. The Applicant advised that bids on its sewer project were opened and the lowest bids received exceeded the approved estimates. Overrun on the construction contracts totaled $385,376, bringing the total cost of the project to $5,884,726. The final order approved a total cost for the project of $5,499,350. The Applicant advised that it had made arrangements with the Division of Environmental Protection to increase the amount of its State Revolving Fund Loan from $5,237,500 to $5,753,801, an increase of $516,301. Also, the SRF loan was extended from 20 years to 22 years and the applicable 1% administrative fee was reduced to .5%. The reduction in the administrative fee results in a decrease in the annual administrative expense of approximately $12,460 and a slight reduction of $339 in the annual principal payment. However, the Applicant plans to utilize the excess operating revenues of approximately $261,500 to fund its inflow

and infiltration remediation program. The Applicant believes the proposed amendment to the project's funding will increase the remaining amount of surplus funds to approximately $25,000. The Applicant submitted a revised SRF commitment of funding reflecting the terms and the amount.

By Initial and Final Joint Staff Memorandum filed September 4, 1999, Staff recommended that the case be reopened and retained by the Commissioners of the Public Service Commission.

By Order entered October 19, 1999, the Commission granted the Applicant's petition to reopen and approved a total project cost of $6,015,301, an SRF loan of $5,353,801 at a 0% interest with a .5% administrative fee for 22 years and the use of $261,500 in excess operating revenues to fund the inflow and infiltration remediation program.

On July 14, 2000, the Applicant filed a second petition to reopen this certificate application indicating that it was seeking additional funding for improvements to a pump station and construction and installation of a lateral pipeline from the Keyser pump station to the sewer treatment facility as part of the sewer improvement project. The Applicant asserted that the additional funding should not result in an increase to the current water and sewer rates charged to the residents of the City of Keyser.

On August 4, 2000, Staff filed its Initial Joint Staff Memorandum indicating that it was requesting additional information from the Applicant concerning its sewer project. Staff noted that, upon receipt of the additional information, Staff would file its final recommendation. Staff noted that the case should be reopened and retained by the Commissioners of the Public Service Commission. Also on August 4, 2000, Staff filed a data request.

By Order entered August 14, 2000, the matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before February 9, 2001.

On August 28, 2000, the Applicant filed its response to Staff's data request. The Applicant requested a waiver of Rule 42 and noted that the City of Keyser is requesting an additional amount of financing through the SRF in the amount of $523,072.

On October 12, 2000, the Applicant filed amended answers to Staff's data requests. The Applicant noted that it is still waiting for a commitment letter from the Division of Environmental Protection and the revised cash flow statement.

By Order issued on October 24, 2000, the Applicant's request for a waiver of the filing requirements of Rule 42 of the Commission's Rules and Regulations for the Government of the Construction and Filing of Tariffs of Public Utilities and Common Carriers by Motor Vehicle was granted; a procedural schedule was established; and a hearing was set to be held on November 29, 2000.

On November 1, 2000, Staff filed its Final Joint Staff Memorandum, with attachments. Staff accepted the Applicant's proposed changes and related costs to the original project. However, Staff did not recommend approval of the proposed borrowing. Staff recommended that the Commission order the Applicant to file an application with the DEP for the proposed additional $523,072 SRF funding. Staff recommended that the Applicant request an extension of the Administrative Law Judge's decision due date to allow it sufficient time to file the application and submit the commitment of funding.

On November 13, 2000, Keyser responded to Staff's Final Joint Staff Memorandum. The Applicant advised that it was in agreement with the recommendation. Keyser advised that it had filed an application for funding and attached a copy for Staff's review. The Applicant requested that the Administrative Law Judge's decision due date be extended and that the hearing scheduled for November 29, 2000, be cancelled. The Applicant advised that it did not wish to waive its right to a further hearing in the event one should become necessary.

By Commission Order entered November 17, 2000, the Administrative Law Judge's decision due date was extended until June 7, 2001.

By Order issued November 20, 2000, the hearing scheduled to be held on November 29, 2000, in Charleston, West Virginia, was cancelled.

On January 11, 2001, Staff filed its Second Further Final Joint Staff Memorandum, recommending that Keyser's petition to reopen its certificate case, for the purpose of including additional construction items and for approval of an SRF loan in the amount of $523,072, be granted.

On January 12, 2001, a copy of the Bond Purchase Agreement referred to by Staff in its January 11, 2001 Memorandum was filed.

On January 22, 2001, the Applicant advised that it accepted Staff's recommendation as contained in its Second Final Joint Staff Memorandum and did not desire a hearing.

Based upon the foregoing, the Administrative Law Judge is of the opinion that Keyser's petition should be approved. The Administrative Law Judge notes that the Applicant's request that the filing of Rule 42 information be waived was granted in the October 24, 2000 Procedural Order.

FINDINGS OF FACT

1. On January 7, 1999, the Keyser Sewer Department filed an application for a certificate of convenience and necessity to construct certain improvements to its sewer collection and treatment system in order to bring the City of Keyser's sewer system into compliance with its current permits. (See, filing).

2. On July 30, 1999, a Recommended Decision was entered granting the application subject to receipt of an NPDES Permit modification from the West Virginia Division of Environmental Protection and the receipt of

long-term financing from the State Revolving Fund. The decision directed that the Applicant notify the Commission if there was any change in the cost, scope, terms and conditions or financing of the project, and that the Applicant seek Commission approval of said change prior to commencing construction. The decision became a final order of the Commission on August 19, 1999. (See, Recommended Decision entered on July 30, 1999).

3. On September 13, 1999, the Applicant filed a petition with the Commission to reopen its certificate case and revise the previously approved financing of this project. Overruns on the construction contracts totaled $385,376, bringing the total cost of the project to $5,884,726. The final order approved a total cost for the project of $5,499,350. (See, filing).

4. The Commission granted the Applicant's September 13, 1999 petition to reopen and approve a total cost of $6,015,301, an SRF loan of $5,353.801 at a 0% interest with a .5% administrative fee for 22 years and the use of $261,500 in excess operating revenues to fund the inflow and infiltration remediation program. (See, October 19, 1999 Order).

5. The Applicant filed a second petition to reopen this certificate application indicating that it was seeking additional funding for improvements to a pump station and construction and installation of a lateral pipeline from the Keyser pump station to the sewer treatment facility as part of the sewer improvement project. The Applicant asserted that the additional funding should not result in an increase to the current water and sewer rates charged to the residents of the City of Keyser. (See, July 14, 2000 filing).

6. Staff recommended that the Applicant's July 14, 2000 petition to reopen the Applicant's certificate case for the purpose of including additional construction items for improvements to a pump station and construction and installation of a lateral pipeline from the Keyser pump station to the sewer treatment facility as part of the sewer improvement project and the approval of an SRF loan in the amount of $523,072, to be repaid upon the conclusion of the previously approved loans, be granted. (See, Second Further Joint Staff Memorandum received January 11, 2001).

7. A Bond Purchase Agreement was filed reflecting an additional loan in the amount of $523,072, at a 0% interest rate, with a .5% administrative fee. (See, Bond Purchase Agreement received January 12, 2001).

CONCLUSIONS OF LAW

1. It is reasonable to amend the scope of the project to include additional construction items for improvements to a pump station and construction and installation of a lateral pipeline from the Keyser pump station to the sewer treatment facility as part of the sewer improvement project.

2. It is reasonable to amend the financing of the Applicant's project to include a State Revolving Fund Loan in the amount of $523,072, at 0% interest, with a .5% administrative fee for a period of two years, to be repaid upon the conclusion of the previous loans.

ORDER

IT IS, THEREFORE, ORDERED that the petition filed by the Keyser Sewer Department to include additional construction items for improvements to a pump station and construction and installation of a lateral pipeline from the Keyser pump station to the sewer treatment facility as part of the sewer improvement project and to increase the financing of its project to include a State Revolving Fund Loan in the amount of $523,072, at 0% interest, with a .5% administrative fee, for a period of two (2) years to be repaid at the conclusion of the previous SRF loan, be, and hereby is, approved.

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

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

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

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

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

Susan A. Murensky
Administrative Law Judge

SAM:pst
990014ae.wpd

West Virginia Infrastructure & Jobs Development Council

Public Members:
James D. Williams, Chairman
St. Albans
James L. Harrison, Sr., Vice Chairman
Princeton
Lloyd P. Adams, P.E.
Wheeling
Sheirl L. Fletcher
Morgantown

980 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Susan J. Riggs, Esquire
Executive Secretary

April 15, 1999

Kenneth Dyche, Executive Director
Region VIII Planning & Development Council
P.O. Box 849
Petersburg, West Virginia 26847

Re: City of Keyser
Wastewater System Improvement Project (Resubmittal) **97S-307**

Dear Mr. Dyche:

The West Virginia Infrastructure and Jobs Development Council (the "Council"), at its April 7, 1999 meeting, reviewed the City of Keyser's (the "City") resubmitted preliminary application regarding the above-referenced proposed project, which updated the project costs and requested that the Council's previous funding recommendation be revised to include additional funding from the Clean Water State Revolving Fund (the "CWSRF") program. Based on the findings of the Sewer Technical Review Committee, the Council has determined that the project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The City should carefully review the enclosed comments of the Sewer Technical Review Committee. The City may need to address certain issues raised in said comments as it proceeds with the project.

Upon consideration of the City's resubmitted preliminary application, the Council believes it reasonable to recommend that the City pursue a CWSRF loan of $5,237,500 to finance the project. Please contact the Division of Environmental Protection at 558-0641 for specific information on the steps the City needs to follow to apply for this funding. **Please note that this letter does not constitute funding approval from the Division of Environmental Protection.**

If you have any questions regarding this matter, please contact Susan J. Riggs at (304) 558-4607.

Sincerely,

James D. Williams

JDW/rc
Enclosure
cc: J. Michael Johnson, P.E. (w/o enclosure)

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned, Barbara B. Meadows, Secretary-Treasurer of West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority and Roger C. Newlin, Mayor of the City of Keyser (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 13th day of February, 2001, the Authority received the entire original issue of $523,072 in aggregate principal amount of Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), issued as a single, fully registered Bond, numbered R-1, dated February 13, 2001 (the "Bonds").

2. At the time of such receipt of the Bonds upon original issuance, the same had been executed by Roger C. Newlin, as Mayor of the Issuer, by his manual signature, and by N. Edward Taylor II, as City Clerk/City Administrator of the Issuer, by his manual signature, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of the sum of $26,154, being a portion of the principal amount of the Bonds, there being no interest accrued on the Bonds. The balance of the principal amount of the Bonds will be advanced by the Authority and the West Virginia Division of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

IN WITNESS WHEREOF, Barbara B. Meadows duly signed and delivered this receipt on behalf of WEST VIRGINIA WATER DEVELOPMENT AUTHORITY and the CITY OF KEYSER has caused this receipt to be duly executed and delivered by its Mayor, as of this 13th day of February, 2001.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By Barbara B Meadows
Secretary-Treasurer

CITY OF KEYSER

By Roger C Newlin
Mayor

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Branch Banking and Trust Company,
as Bond Registrar
Charleston, West Virginia 25301

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. R-1, constituting the entire original issue of the City of Keyser Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) in the principal amount of $523,072, dated February 13, 2001, (the "Bonds"), executed by the Mayor and City Clerk/City Administrator of the City of Keyser (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on January 10, 2001, effective January 24, 2001, and Supplemental Resolution duly adopted by the Issuer on January 24, 2001 (collectively, the "Local Act");

(2) A copy of the Local Act authorizing the issuance of the Bonds, duly certified by the City Clerk/City Administrator of the Issuer;

(3) An executed Bond Purchase Agreement dated December 15, 2000, by and among the West Virginia Water Development Authority (the "Authority"), the West Virginia Division of Environmental Protection, and the Issuer for the Bonds (the "Bond Purchase Agreement"); and

(4) Signed opinion of nationally recognized bond counsel regarding the validity of the Bond Purchase Agreement and the Bonds.

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the account of the Issuer of the sum of $26,154, which represent the first advance of the agreed aggregate purchase price of the Bonds, there being no accrued interest thereon. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated this 13th day of February, 2001.

CITY OF KEYSER

By _____
Its: Mayor

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF KEYSER
SEWER REVENUE BOND,
SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

No. R-1 $523,072

KNOW ALL MEN BY THESE PRESENTS: That CITY OF KEYSER, a municipal corporation and political subdivision of the State of West Virginia in Mineral County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FIVE HUNDRED TWENTY-THREE THOUSAND SEVENTY-TWO DOLLARS ($523,072), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing on June 1, 2023, as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference, without interest.

SPECIMEN

The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2001, as set forth on Exhibit B attached hereto. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The SRF Administrative Fee on this Bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of the Registrar (as defined in the hereinafter described Bond Legislation) on the 15th day of the month next preceding a SRF Administrative Fee payment date, or by such other method as shall be mutually agreeable so long as the Authority is the registered owner hereof.

This Bond may only be redeemed prior to its stated date of maturity in whole or in part upon the terms and conditions prescribed by, and otherwise in compliance with, the Water Pollution Control Revolving Fund Bond Purchase Agreement among the Issuer, the West Virginia Division of Environmental Protection, a division of the West Virginia Bureau of Environment (the "DEP") and the Authority, dated December 15, 2000.

This Bond is issued (i) to permanently finance a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance

hereof and related costs. The existing public sewerage facilities of the Issuer, the Project and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on January 10, 2001, and put into effect following a public hearing held on January 24, 2001, and a Supplemental Resolution duly adopted by the Issuer on January 24, 2001 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other securities provided for the Bonds of this Series (the "Bonds") under the Bond Legislation.

THIS BOND IS ISSUED ON PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH (1) THE SEWER REVENUE BONDS, SERIES 1980, OF THE ISSUER, DATED SEPTEMBER 14, 1981, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF $970,000 (THE "SERIES 1980 BONDS"); (2) THE SEWER REVENUE BONDS, SERIES 1986, OF THE ISSUER, DATED AUGUST 29, 1986, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF $1,647,465 (THE "SERIES 1986 BONDS"); AND (3) THE SEWER REVENUE BONDS, SERIES 1999 (WEST VIRGINIA SRF PROGRAM), OF THE ISSUER, DATED NOVEMBER 16, 1999, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF $5,753,801 (THE "SERIES 1999 BONDS").

SPECIMEN

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of the Net Revenues in favor of the holders of the Series 1980 Bonds, the Series 1986 Bonds and the Series 1999 Bonds (collectively, the "Prior Bonds"), and from moneys in the Reserve Account created under the Bond Legislation for the Bonds and the Series 1999 Bonds (the "Series 1999 and 2001 Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1999 and 2001 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year

equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds, provided however, that so long as there exists in the Series 1999 and 2001 Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds and the Series 1999 Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

SPECIMEN

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

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

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

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

of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, CITY OF KEYSER has caused this Bond to be signed by its Mayor and its corporate seal to be hereunto affixed and attested by its City Clerk/City Administrator, and has caused this Bond to be dated February 13, 2001.

CITY OF KEYSER

[SEAL]

SPECIMEN

Mayor

ATTEST:

SPECIMEN

City Clerk/City Administrator

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2001 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: February 13, 2001.

BRANCH BANKING AND TRUST COMPANY,
as Registrar

By: _____
Its: Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	Amount	Date		Amount	Date
(1)	$ 26,154	February 13, 2001	(7)	$	
(2)	$		(8)	$	
(3)	$		(9)	$	
(4)	$		(10)	$	
(5)	$		(11)	$	
(6)	$		(12)	$	

SPECIMEN

Total $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

SPECIMEN

City of Keyser (West Virginia)

Loan of $523,072

0% Interest Rate, $356 Quarterly Administrative Fee

Closing Date: February 13, 2001

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I	Expenses	Net New D/S
3/01/2001	-	-	-	-	-
6/01/2001	-	-	-	-	-
9/01/2001	-	-	-	-	-
12/01/2001	-	-	-	356.00	356.00
3/01/2002	-	-	-	356.00	356.00
6/01/2002	-	-	-	356.00	356.00
9/01/2002	-	-	-	356.00	356.00
12/01/2002	-	-	-	356.00	356.00
3/01/2003	-	-	-	356.00	356.00
6/01/2003	-	-	-	356.00	356.00
9/01/2003	-	-	-	356.00	356.00
12/01/2003	-	-	-	356.00	356.00
3/01/2004	-	-	-	356.00	356.00
6/01/2004	-	-	-	356.00	356.00
9/01/2004	-	-	-	356.00	356.00
12/01/2004	-	-	-	356.00	356.00
3/01/2005	-	-	-	356.00	356.00
6/01/2005	-	-	-	356.00	356.00
9/01/2005	-	-	-	356.00	356.00
12/01/2005	-	-	-	356.00	356.00
3/01/2006	-	-	-	356.00	356.00
6/01/2006	-	-	-	356.00	356.00
9/01/2006	-	-	-	356.00	356.00
12/01/2006	-	-	-	356.00	356.00
3/01/2007	-	-	-	356.00	356.00
6/01/2007	-	-	-	356.00	356.00
9/01/2007	-	-	-	356.00	356.00
12/01/2007	-	-	-	356.00	356.00
3/01/2008	-	-	-	356.00	356.00
6/01/2008	-	-	-	356.00	356.00
9/01/2008	-	-	-	356.00	356.00
12/01/2008	-	-	-	356.00	356.00
3/01/2009	-	-	-	356.00	356.00
6/01/2009	-	-	-	356.00	356.00
9/01/2009	-	-	-	356.00	356.00
12/01/2009	-	-	-	356.00	356.00
3/01/2010	-	-	-	356.00	356.00
6/01/2010	-	-	-	356.00	356.00
9/01/2010	-	-	-	356.00	356.00
12/01/2010	-	-	-	356.00	356.00
3/01/2011	-	-	-	356.00	356.00
6/01/2011	-	-	-	356.00	356.00
9/01/2011	-	-	-	356.00	356.00
12/01/2011	-	-	-	356.00	356.00
3/01/2012	-	-	-	356.00	356.00
6/01/2012	-	-	-	356.00	356.00

SPECIMEN

City of Keyser (West Virginia)

Loan of $523,072

0% Interest Rate, $356 Quarterly Administrative Fee

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I	Expenses	Net New D/S
9/01/2012	-	-	-	356.00	356.00
12/01/2012	-	-	-	356.00	356.00
3/01/2013	-	-	-	356.00	356.00
6/01/2013	-	-	-	356.00	356.00
9/01/2013	-	-	-	356.00	356.00
12/01/2013	-	-	-	356.00	356.00
3/01/2014	-	-	-	356.00	356.00
6/01/2014	-	-	-	356.00	356.00
9/01/2014	-	-	-	356.00	356.00
12/01/2014	-	-	-	356.00	356.00
3/01/2015	-	-	-	356.00	356.00
6/01/2015	-	-	-	356.00	356.00
9/01/2015	-	-	-	356.00	356.00
12/01/2015	-	-	-	356.00	356.00
3/01/2016	-	-	-	356.00	356.00
6/01/2016	-	-	-	356.00	356.00
9/01/2016	-	-	-	356.00	356.00
12/01/2016	-	-	-	356.00	356.00
3/01/2017	-	-	-	356.00	356.00
6/01/2017	-	-	-	356.00	356.00
9/01/2017	-	-	-	356.00	356.00
12/01/2017	-	-	-	356.00	356.00
3/01/2018	-	-	-	356.00	356.00
6/01/2018	-	-	-	356.00	356.00
9/01/2018	-	-	-	356.00	356.00
12/01/2018	-	-	-	356.00	356.00
3/01/2019	-	-	-	356.00	356.00
6/01/2019	-	-	-	356.00	356.00
9/01/2019	-	-	-	356.00	356.00
12/01/2019	-	-	-	356.00	356.00
3/01/2020	-	-	-	356.00	356.00
6/01/2020	-	-	-	356.00	356.00
9/01/2020	-	-	-	356.00	356.00
12/01/2020	-	-	-	356.00	356.00
3/01/2021	-	-	-	356.00	356.00
6/01/2021	-	-	-	356.00	356.00
9/01/2021	-	-	-	356.00	356.00
12/01/2021	-	-	-	356.00	356.00
3/01/2022	-	-	-	356.00	356.00
6/01/2022	-	-	-	356.00	356.00
9/01/2022	-	-	-	356.00	356.00
12/01/2022	-	-	-	356.00	356.00
3/01/2023	-	-	-	356.00	356.00
6/01/2023	65,384.00	-	65,384.00	356.00	65,740.00
9/01/2023	65,384.00	-	65,384.00	356.00	65,740.00
12/01/2023	65,384.00	-	65,384.00	356.00	65,740.00

SPECIMEN

City of Keyser (West Virginia)

Loan of $523,072

0% Interest Rate, $356 Quarterly Administrative Fee

NET DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I	Expenses	Net New D/S
3/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
6/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
9/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
12/01/2024	65,384.00	-	65,384.00	356.00	65,740.00
3/01/2025	65,384.00	-	65,384.00	356.00	65,740.00
Total	523,072.00	-	523,072.00	33,464.00	556,536.00

SPECIMEN

ASSIGNMENT

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

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

Dated: _____, 20_____.

SPECIMEN

In the presence of:

SPECIMEN

1000 Technology Drive, Suite 2310
Fairmont, West Virginia 26554
Telephone (304) 368-4000

5th Floor, United Square
501 Avery Street
Parkersburg, West Virginia 26101
Telephone (304) 485-8500

7000 Hampton Center, Suite K
Morgantown, West Virginia 26505
Telephone (304) 599-1390

Bowles Rice
McDavid Graff & Love PLLC

ATTORNEYS AT LAW

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Charleston, West Virginia 25301

Post Office Box 1386
Charleston, West Virginia 25325-1386
Telephone (304) 347-1100
www.bowlesrice.com

105 West Burke Street
Martinsburg, West Virginia 25401
Telephone (304) 263-0836

World Trade Center
333 West Vine Street, Suite 1200
Lexington, Kentucky 40507
Telephone (859) 225-8700

3 West Piccadilly Street
Winchester, Virginia 22601
Telephone (540) 723-8877

February 13, 2001

Telephone — (304) 347-1100
Facsimile — (304) 343-3058

City of Keyser
111 North Davis Street
Keyser, West Virginia 26726

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1571

West Virginia Division of Environmental Protection
617 ½ Leon Sullivan Way
Charleston, West Virginia 25301

Re: City of Keyser
Sewer Revenue Bonds, Series 2001
(West Virginia SRF Program)

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the City of Keyser (the "Issuer"), a municipal corporation and political subdivision of the State of West Virginia, of its $523,072 Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), dated the date hereof (the "Local Bonds").

We have examined the law, a certified copy of proceedings and other papers relating to the authorization of (i) a bond purchase agreement dated December 15, 2000, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") and (ii) the Local Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Local Bonds are issued in the principal amount of $523,072, in the form of one bond, registered as to principal only to the Authority, with no interest and with principal payable in quarterly installments on March 1, June 1, September 1 and December 1 in each year, commencing June 1, 2023 and continuing until final maturity on March 1, 2025, all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) permanently financing a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"), and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (collectively, the "Local Statute"), and the Bond Ordinance duly enacted by the Issuer on January 10, 2001, and put into effect following a public hearing held on January 24, 2001, as supplemented by a Supplemental Resolution duly adopted on January 24, 2001 (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued and the Bond Purchase Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Bond Purchase Agreement.

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

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

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

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

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

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System as set forth in the Local Act and secured by a first lien on and pledge of the Net Revenues of said System, on a parity with the Issuer's outstanding (i) Sewer Revenue Bonds, Series 1980, dated September 14, 1981, issued in the original principal amount of $970,000, (ii) Sewer Revenue Bonds, Series 1986, dated August 29, 1986, issued in the original principal amount of $1,647,465, and (iii) Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program), dated November 16, 1999, in the original principal amount of $5,753,801, all in accordance with the terms of the Local Bonds and the Local Act.

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

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

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

We have examined the executed and authenticated Local Bond No. R-1, and are of the opinion that the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,

BOWLES RICE McDAVID GRAFF & LOVE PLLC

Bowles Rice McDavid Graff & Love, PLLC

LAW OFFICE OF
F. CODY PANCAKE, III
114 Armstrong St.
P.O. Box 726
Keyser, WV 26726
(304)788-7889

February 9, 2001

Office of the State Auditor
Chief Inspector Division
Building 1 Room W-420
Charleston, West Virginia 25305

Re: City of Keyser
Audit June 30, 2000

Dear Sirs:

This will serve to advise that I am the attorney of representation for the City of Keyser. As the City attorney I have received a request to provide your office with an explanation of any pending or threatened litigation claims and assessments which I foresee may be filed against the City of Keyser. For purposes of this letter my opinion addresses all such potential litigation as of June 30, 2000 to the present.

As I am sure your office can understand, litigation with respect to municipalities is never certain and potential claims may arise at any time. Nevertheless, I will attempt to provide as informed a decision as possible based upon the information available to me from the City. Fortunately, at the present time there does not appear to be any significant litigation or potential claims facing the City of Keyser. Nevertheless, the following are the potential cases of which I can reasonably advise.

Currently, the City of Keyser is faced with only one Worker's Compensation claim. Particularly, the Claimant is a Roger W. Moore, Claim No: 99-11172 with a date of injury of 6/16/1998. Currently, the claimant is not receiving temporary total disability benefits, but was recently referred by the Worker's Compensation Division for an independent medical examination for purposes of determining his permanent partial disability impairment, if any, as sustained in the instant claim. As the City of Keyser is insured and in good standing with the Worker's Compensation Division I would be of the position that this claim would not have any effect with respect to your audit other than the potential of a potential premium increase to the City of Keyser which is questionable.

Similarly, there is a current unemployment claim against the City of Keyser which was filed by a Mary F. Riggleman, Case No: 00-2264. The claim was ruled compensable by the West Virginia Bureau of Employment Programs, Unemployment Division and the claimant continues to receives benefits at this time. Once again, the City of Keyser is in good standing with the Bureau of Employment Programs, Unemployment Division and therefore this claim should have no significant impact with

respect to the audit.

Finally, to the best of my knowledge only one potential claim exists in the nature of a civil action which could potentially be brought against the City the Keyser. At some point in mid to late 1999, while a portion of the water improvement project was still under construction, a subcontractor, Walter Yoder & Sons was performing work in the vicinity of Carskadon Lane within the City of Keyser at which time Yoder & Sons damaged a sewer line which services the home of Donald Thomas and the home of his father. As a result of the damage to the sewer line, sewage backed up into their respective homes resulting in the Thomas' hiring plumbers and incurring expenses to correct the problem. The City of Keyser has received a claim from Mr. Thomas in the approximate amount of $5,433.22. However, based upon information provided to me by representatives of the Street and Sewer Department of the City of Keyser, I am of the opinion that Walter Yoder & Sons, the subcontractor, is 100% at fault and liable with respect to these damages. Nevertheless, as the municipality which owns and operates the respective sewer lines, the City of Keyser is directly subject to suit for these damages. In the event such should occur the City would certainly file a third party claim against Walter Yoder & Sons. Whether such a law suit would be brought by Mr. Thomas is unknown at this point as the City has not received any notices of representation from a perspective attorney nor any formal notice of the threat of litigation. Therefore, I will leave it to your discretion as to the significance which you give to this potential claim.

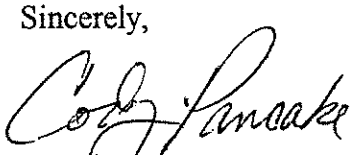
With respect to any other threatened claims or pending litigation I am not aware of such at this time. In the event your office should need any additional information with respect to these particular cases or any other questions concerning pending legal issues on behalf of the City of Keyser please feel free to contact my office.

Finally, in response to your inquiry concerning the amount owing my office for services and expenses billed and unbilled as of June 30. 2000, that particular amount would have been $1,732.76 which was for general services as well as services rendered with respect to the sewer improvement project.

If I may be of further assistance please do not hesitate to contact my office.

With best regards,

Sincerely,



F. Cody Pancake, III

FCP/jrr
cc: City of Keyser

LAW OFFICE OF
F. CODY PANCAKE, III
114 Armstrong St.
P.O. Box 726
Keyser, WV 26726
(304)788-7889

February 13, 2001

City of Keyser
111 North Davis Street
Keyser, West Virginia 26726

WV Water Development Authority
180 Association Drive
Charleston, West Virginia 25311-1571

WV DEP
617 ½ Leon Sullivan Way
Charleston, West Virginia

Bowles, Rice, McDavid, Graff, & Love
600 Quarrier Street
Charleston, West Virginia 25301

RE: Title Opinion

Ladies and Gentlemen:

I, F. Cody Pancake, III, counsel for the City of Keyser, (the "City") a Municipal Corporation do hereby certify:

1. That I have investigated and ascertained the location of and am familiar with legal description of the necessary sites (including easements and /or right-of-ways being provided to the Grantees, the City of Keyser, for the additional improvements to the Keyser Sewer Improvement Project identified as Project No. C544023 (the "Project") .

2. That I have examined the deed records of Mineral County in which the Project is located, and in my opinion, the City has a legal and valid fee simple title or such other real estate interests in the necessary site components for the Project, including easements and right-of-ways, sufficient to assure undisturbed use and possession for the purposes of construction, operation maintenance of estimated life of the facilities.

3. That any deeds or documents required to be recorded in order to protect the title of and interest of the City have been duly recorded and filed for record wherever necessary, or in the case in which condemnation proceedings are necessary, such proceedings have been filed as of the date hereof to permit the City a right-of-entry for the purpose of construction, operation and maintenance of the Project on such properties.

4. That the City has obtained all necessary permits required for the construction of the Project.

With best regards,

Sincerely,

Cody Pancake

F. Cody Pancake, III

FCP/jrr

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

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

We, the undersigned MAYOR and the undersigned CITY CLERK/CITY ADMINISTRATOR of the City of Keyser, in Mineral County, West Virginia (the "Issuer"), and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the $523,072 aggregate principal amount of the City of Keyser Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) (the "Bonds"):

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as in the Bond Ordinance of the Issuer duly enacted January 10, 2001, and put into effect following a public hearing held on January 24, 2001, and a Supplemental Resolution duly adopted by the Issuer on January 24, 2001 (collectively, the "Local Act").

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

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

The Issuer hereby certifies that it has complied and will continue to comply with the consent decrees entered against the Issuer on November 12, 1998, and August 10, 1999, including, without limitation, payment of all cash penalties, funding of all required escrows, implementing all required supplemental environmental projects and avoiding any abeyance penalties.

3. GOVERNMENTAL APPROVALS, BIDDING AND AWARD OF CONTRACT: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the project financed in part with the proceeds of the Issuer's Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program) (the "Series 1999 Project") were solicited in accordance with Chapter 5, Article 22, Section 1 of the Code of West Virginia of 1931, as amended, and the Issuer has awarded the construction contracts for the Series 1999 Project in four separate contracts to the respective lowest bidders therefor, being Ross & Kennedy Corporation, Alvarez Contractors, Inc., Mineral Fabrication & Manufacturing Co., Inc. and Groundbreakers, Inc. The Issuer has prior to this date issued a notice of award to each of Ross & Kennedy Corporation, Alvarez Contractors, Inc., Mineral Fabrication & Manufacturing Co., Inc. and Groundbreakers, Inc. for the Series 1999 Project and the Issuer has prior to this date entered into a construction contract with each of such contractors for the Series 1999 Project. The Project includes the Series 1999 Project together with certain additional improvements necessary to complete the Series 1999 Project. The additional improvements that are not included in the Series 1999 Project will be consummated pursuant to change orders to the applicable contracts entered into in connection with the Series 1999 Project.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Bond Purchase Agreement. The Issuer has met all conditions prescribed in the Bond Purchase Agreement entered into between the Issuer, the Authority and the DEP and the Issuer is in compliance with all requirements of the Prior Ordinances. Other than as described below, there are no outstanding debt obligations of the Issuer which are secured by the Net Revenues of the System. The Issuer does have outstanding its (i) Sewer Revenue Bonds, Series 1980, dated September 14, 1981, issued in the original aggregate principal amount of $970,000; (ii) Sewer Revenue Bonds, Series 1986, dated August 29, 1986, issued in the original aggregate principal amount of $1,647,465 and (iii) Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program), dated November 16, 1999, issued in the original aggregate principal amount of $5,753,801 (collectively, the "Prior Bonds"). All payments required to be made on the Prior Bonds are current. The Issuer has obtained (1) a certificate of an Independent Certified Public Accountant stating that

the parity tests of the Series 1986 Bonds and the Series 1999 Bonds have been met and (2) the written consents from the holders of the Prior Bonds to the issuance of the Bonds on parity with the Prior Bonds.

The Bonds are issued on parity with the Prior Bonds with respect to liens, pledge and source of and security for payment.

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

Charter of City of Keyser
Oaths of Office of Officers, Councilmembers and Sanitary Boardmembers
Bond Ordinance
Supplemental Resolution
Ordinance Creating Sanitary Board
Petition of Sanitary Board
Bond Purchase Agreement
Public Service Commission Order
Infrastructure Council Approval
Rate Ordinance
Minutes on Adoption of Rate Ordinance
Affidavit of Publication of Rate Ordinance
and Notice of Public Hearing
Minutes on Adoption of Bond Ordinance
and Supplemental Resolution
Affidavit of Publication of Abstract of Bond Ordinance
and Notice of Public Hearing
NPDES Permit Cover Letter
Consent of Holder of Series 1986 Bonds and Series 1999 Bonds to Issuance of Parity Bonds
Consent of Holder of Series 1980 Bonds to Issuance of Parity Bonds

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "City of Keyser." The Issuer is a municipal corporation in Mineral County, West Virginia, and is presently existing under the laws of, and is a political subdivision of, the State of West Virginia. The governing body of the Issuer is its Council consisting of a Mayor and 3 Council members all duly elected or appointed as applicable, qualified and acting, whose names and dates of commencement and termination of current terms of office are as follows:

Name	Office	Date of Commencement of Office	Date of Termination of Office
Roger C. Newlin	Mayor	July 1, 2000	June 30, 2001
James O. Robinson	Councilmember	July 1, 2000	June 30, 2001
Sally Burnside	Councilmember	July 1, 2000	June 30, 2002
Marques Rice	Councilmember	July 1, 2000	June 30, 2002

The duly appointed and acting City Clerk/City Administrator of the Issuer is N. Edward Taylor II.

The duly appointed and acting counsel to Issuer is F. Cody Pancake, III, Esq., Keyser, West Virginia.

The duly approved members of the Sanitary Board of the Issuer are as follows:

Roger C. Newlin	-	Chairman
Thurman Smith	-	Member
Mark Geary, P.E.	-	Member

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

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

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Local Act. All insurance for the System

required by the Local Act is in full force and effect. The System is not presently covered by a policy of flood or business interruption insurance, but will be if such coverage is available at reasonable cost.

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

11. RATES: The Issuer has duly enacted a rate ordinance on January 28, 1999, in Ordinance No. 251, setting rates and charges for the services of the System and said rate ordinance is in full force and effect.

12. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Mayor did officially sign all of the Bonds of the aforesaid issue, consisting of a single Bond, dated February 13, 2001, by his manual signature, and the undersigned City Clerk/City Administrator did officially cause the official seal of the Issuer to be affixed upon the Bonds and to be attested by his manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Bond Purchase Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

13. BOND PROCEEDS: On the date hereof the Issuer received from the Authority and the DEP, the sum of $26,154, being the first advance of the agreed purchase price of the Bonds, being $523,072 (100% of par value), there being no interest accrued thereon. The balance of the principal amount of the Bonds will be advanced by the Authority and the DEP as the acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon enactment of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in the News-Tribune a newspaper published and of general circulation in the City of Keyser together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Council at the public hearing held at a public meeting of Council on the 24th day of January, 2001, at 5:30 p.m., in the Council Chambers of the Keyser City Hall and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of

the City Clerk/City Administrator of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

15. SPECIMEN BOND: Delivered concurrently herewith is a true and accurate specimen of the Bonds.

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

17. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia (the "PSC") entered on January 23, 2001, in Case No. 99-0014-S-CN (Reopened), which Recommended Decision became the Final Order of the PSC on February 12, 2001, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of such Final Order has not expired prior to the date hereof. However, the parties to such Final Order have stated that they will not appeal such Final Order. The Issuer hereby certifies that it will not appeal such Final Order. Such Final Order is not subject to any appeal, further hearing, reopening or rehearing by any customer, protestant, intervenor or other person not a party to the original application.

18. CLEAN WATER ACT. The Project as described in the Local Act complies with Sections 208 and 303(e) of the Clean Water Act.

WITNESS our signatures and the official seal of the CITY OF KEYSER on this 13th day of February, 2001.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
Roger C. [illegible]	Mayor
N Edward Taylor II	City Clerk/City Administrator
Cody Pancake	Counsel to Issuer

RECYCLED ♻

A0000 SERIES

10% P.C.W.

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Mayor of the City of Keyser, a municipal corporation, in Mineral County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $523,072 in aggregate principal amount of Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), of the Issuer, dated February 13, 2001 (the "Bonds"), hereby certify as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Ordinance duly enacted by the Issuer on January 10, 2001, and put into effect following a public hearing held on January 24, 2001, as supplemented by a Supplemental Resolution adopted January 24, 2001 (collectively, the "Bond Ordinance"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on February 13, 2001, the date on which the Bonds are being physically delivered in exchange for an initial advance of $26,154, being a portion of the principal amount of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

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

5. The Bonds were sold on February 13, 2001, to the Authority, pursuant to a Water Pollution Control Revolving Fund Bond Purchase Agreement dated December 15, 2000, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of $523,072 (100% of par), at which time, the Issuer received $26,154 from the Authority and the DEP, being the first advance of the principal amount of the Bonds. No accrued interest has been or will be paid

on the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

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

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of proceeds of the Bonds to expenditures for costs of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds constituting capitalized interest, if any, and proceeds, if any, deposited in the Reserve Account for the Bonds, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before August 1, 2001. The acquisition and construction of the Project is expected to be completed by June 1, 2001.

8. The total cost of the Project is estimated at $6,538,373. Sources and uses of funds for the Project are as follows:

SOURCES	
Proceeds of the Bonds	$ 523,072
Proceeds of the Series 1999 Bonds	5,753,801
Excess Operating Revenues	261,500
Total Sources	$ 6,538,373
USES	
Costs of the Project	$ 6,226,833
Capitalized Interest	-0-
Fund Reserve Account (Funded with Proceeds of Series 1999 Bonds)	261,540
Costs of Issuance of the Bonds	20,000
Costs of Issuance of the Series 1999 Bonds	30,000
Total Uses	$ 6,538,373

9. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created or continued in connection with the Bonds:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2001 Bonds Construction Trust Fund;

(4) Series 1980 Bonds Reserve Account;

(5) Series 1986 Bonds Sinking Fund;

(6) Series 1986 Bonds Reserve Account;

(7) Series 1999 Bonds Sinking Fund;

(8) Series 1999 and 2001 Bonds Reserve Account; and

(9) Series 2001 Bonds Sinking Fund.

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

(1) Bond proceeds in the amount of $-0- will be deposited in the Series 2001 Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) Bond proceeds in the amount of $-0- will be deposited in the Series 1999 and 2001 Bonds Reserve Account.

(3) The balance of the proceeds of the Bonds will be deposited in the Series 2001 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Bonds and related costs.

11. Moneys held in the Series 2001 Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Bonds and will not be available to meet costs of acquisition and construction of the Project. Moneys in the Series 1999 and 2001 Bonds Reserve Account will be used only for the purpose of paying principal of and interest, if any, on the Series 1999 Bonds and the Bonds, as the same shall come due, when other moneys in the Series 1999 Bonds Sinking Fund and the Series 2001 Bonds Sinking Fund are insufficient therefor. All investment earnings on moneys in the Series 2001 Bonds Sinking Fund and Series 1999 and 2001 Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2001 Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

12. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 4 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2001 Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 1999 and 2001 Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 6 months from the date of issuance thereof.

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

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

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

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

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

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

21. The Bonds are not federally guaranteed.

22. The Issuer has covenanted in the Bond Ordinance to comply with the Code and the Regulations from time to time in effect and applicable to the Bonds as may be necessary in order to maintain the status of the Bonds as governmental bonds.

23. The Issuer has funded the Series 1999 and 2001 Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Series 1999 Bonds and the Bonds in the then current or any succeeding year with the proceeds of the Series 1999 Bonds. Moneys in the Series 1999 and 2001 Bonds Reserve Account will be used solely to pay principal of and interest, if any, on the Series 1999 Bonds and the Bonds, as the same shall come due, when other moneys in the Series 1999 Bonds Sinking Fund and the Series 2001 Bonds Sinking Fund are insufficient therefor, and will not be available to pay costs of the Project.

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

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

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

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

WITNESS my signature on this 13th day of February, 2001.

CITY OF KEYSER

By: _____

Its: Mayor

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CERTIFICATE OF CONSULTING ENGINEER

I, David G. Vanscoy, Registered Professional Engineer, West Virginia License No. 6649, of Rummel, Klepper & Kahl, LLP, Consulting Engineers, Keyser, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements to the existing sewerage system of the City of Keyser (the "Issuer"), being Contract 1 and Contract 4 (the "Project"), to be constructed primarily in Mineral County, West Virginia, which construction and acquisition are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the meaning set forth in the Bond Ordinance enacted by the Issuer on January 10, 2001, and put into effect following a public hearing held on January 24, 2001, and the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") dated December 15, 2000.

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

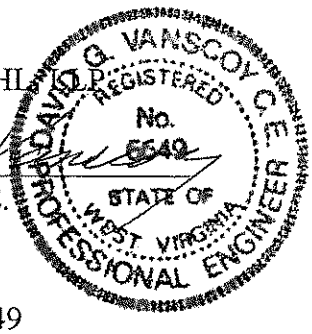
3. To the best of my knowledge, information and belief (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by DEP and any change orders approved by the Issuer , DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 25 years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule A attached hereto as Exhibit A, and in reliance upon the legal opinion of F. Cody Pancake, III, Esquire, of even date herewith, all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for

the acquisition and construction of the Project and the operation of the System; (ix) in reliance upon the certificate of the Issuer's Certified Public Accountants, Blair & Company, Certified Public Accountants, as of the effective date thereof, the rates and charges for the System as enacted by the Issuer will be sufficient to comply with the provisions of the Bond Purchase Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 13th day of February, 2001.

RUMMEL, KLEPPER & KAHL, LLP

By _____
David G. Vanscoy, P.E.
Its: Regional Manager



West Virginia License No. 6649

[SEAL]

SCHEDULE A

NAME OF GOVERNMENTAL AGENCY: City of Keyser

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

*ADDITIONAL FUNDS ONLY

A. Cost of Project

1. Construction	$ 397,818	
2. Technical Services	$ 100,854	
3. Legal and Fiscal	$	
4. Administrative	$	
5. Site and R-O-W activity	$ 4,400	
6. Utility Relocation	$	
7. Equipment	$	
8. I & I Construction (Fuel Tank)	$	
9. Interim Financing Costs	$	
10. Contingency	$	
11. I & I Program Funds	$	
12. Total of Lines 1 Through 9		$ 503,072

B. Sources of Funds

1.	Federal Grants:[1]	$	
	(Specify Sources)	$	
2.	State Grants:[1]	$	
	(Specify Sources)	$	
3.	Other Grants:[1]	$	
	(Specify Sources)	$	
4.	Any Other Source[2]	$	
	(Specify)	$	
5.	Total of Lines 10 Through 14		$
6.	Net Proceeds Required from Bond Issue (Line 10 less Line 15)		$ 503,072

C. Cost of Financing

7. Funded Reserve Account:[3]	$	
8. Closing costs (Bond council, etc.)	$ 20,000	
9. Net costs of financing	$ 20,000	
8. Size of Bond Issue (Line 16 plus Line 19)		$ 523,072

not allowable for State Revolving Fund Assistance

* WVDA loans not allowable

SIGNATURE OF APPLICANT

DATE: 01-10-01

SIGNATURE OF CONSULTING ENGINEER (Chester Engineers)

DATE: 1/10/01

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CERTIFICATE OF CONSULTING ENGINEER

I, Peter J. H. Thomson, Registered Professional Engineer, West Virginia License No. 13863, of Chester Engineers, Consulting Engineers, Martinsburg, West Virginia, hereby certify as follows:

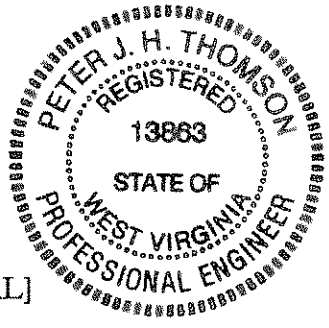
1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements to the existing sewerage system of the City of Keyser (the "Issuer"), being Contract 2 and Contract 3 (the "Project"), to be constructed primarily in Mineral County, West Virginia, which construction and acquisition are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the meaning set forth in the Bond Ordinance enacted by the Issuer on January 10, 2001, and put into effect following a public hearing held on January 24, 2001, and the Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Division of Environmental Protection (the "DEP") dated December 15, 2000.

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

3. To the best of my knowledge, information and belief (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by DEP and any change orders approved by the Issuer , DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 25 years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule A attached hereto as Exhibit A, and in reliance upon the legal opinion of F. Cody Pancake, III, Esquire, of even date herewith, all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition

and construction of the Project and the operation of the System; (ix) in reliance upon the certificate of the Issuer's Certified Public Accountants, Blair & Company, Certified Public Accountants, as of the effective date thereof, the rates and charges for the System as enacted by the Issuer will be sufficient to comply with the provisions of the Bond Purchase Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 13th day of February, 2001.



[SEAL]

CHESTER ENGINEERS

By _____

Peter J. H. Thomson, P.E.
Its: Project Manager

West Virginia License No. 13863

SCHEDULE A

AME OF GOVERNMENTAL AGENCY: City of Keyser

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

*ADDITIONAL FUNDS ONLY

A. Cost of Project

1.	Construction	$ 397,818	
2.	Technical Services	$ 100,854	
3.	Legal and Fiscal	$	
4.	Administrative	$	
5.	Site and R-O-W activity	$ 4,400	
6.	Utility Relocation	$	
7.	Equipment	$	
8.	I & I Construction (Fuel Tank)	$	
9.	Interim Financing Costs	$	
10.	Contingency	$	
11.	I & I Program Funds	$	
12.	Total of Lines 1 Through 9		$ 503,072

B. Sources of Funds

1.	Federal Grants:[1]		$	
	(Specify Sources)		$	
2.	State Grants:[1]		$	
	(Specify Sources)		$	
3.	Other Grants:[1]		$	
	(Specify Sources)		$	
4.	Any Other Source[2]		$	
	(Specify)		$	
5.	Total of Lines 10 Through 14			$
6.	Net Proceeds Required from Bond Issue (Line 10 less Line 15)			$ 503,072

C. Cost of Financing

7.	Funded Reserve Account[3]	$	
8.	Closing costs (Bond council, etc.)	$ 20,000	
9.	Net costs of financing	$ 20,000	
8.	Size of Bond Issue (Line 16 plus Line 19)		$ 523,072

not allowable for State Revolving Fund Assistance

WDA loans not allowable

SIGNATURE OF APPLICANT

DATE: 01-10-01

SIGNATURE OF CONSULTING ENGINEER (Chester Engineers)

DATE: 1/10/01

CERTIFICATE DESIGNATING AUTHORIZED SIGNATORIES FOR CONSULTING ENGINEER

TO:

F&M Bank-West Virginia, Inc.
Keyser, West Virginia

RE: City of Keyser Sewer Revenue Bonds, Series 2001
(West Virginia SRF Program)

TO WHOM IT MAY CONCERN:

The following individual(s) is/are designated as Authorized Signatory for the purpose of signing on the Requisition forms for the above-referenced Bonds:

David G. Vanscoy

Witness my signature this 13th day of February, 2001.

RUMMEL, KLEPPER & KAHL, LLP

By: _____
Authorized Officer

DAVID G. VANSCOY C.E. REGISTERED No. 6549 STATE OF WEST VIRGINIA PROFESSIONAL ENGINEER

GBB.GBB.0075966

CERTIFICATE DESIGNATING AUTHORIZED SIGNATORIES FOR CONSULTING ENGINEER

TO:

F&M Bank-West Virginia, Inc.
Keyser, West Virginia

RE: City of Keyser Sewer Revenue Bonds, Series 2001
(West Virginia SRF Program)

TO WHOM IT MAY CONCERN:

The following individual(s) is/are designated as Authorized Signatory for the purpose of signing on the Requisition forms for the above-referenced Bonds:

Peter J. H. Thomson, P.E.

Witness my signature this 13th day of February, 2001.

CHESTER ENGINEERS

By: _____
Authorized Officer

GBB.GBB.0076172

Blair & Company
CERTIFIED PUBLIC ACCOUNTANTS

721 Peoples Building
Post Office Box 1991
Charleston, West Virginia 25327
(304) 343-4603
John D. Blair, Jr., CPA

CITY OF KEYSER
SEWER REVENUE BONDS
SERIES 2001 (WEST VIRGINIA SRF PROGRAM)

February 13, 2001

West Virginia Water Development Authority
180 Association Drive
Charleston, West Virginia 25301

Bowles Rice McDavid Graff & Love, PLLC
600 Quarrier Street
Charleston, West Virginia 25301

West Virginia Division of Environmental Protection
617 ½ Leon Sullivan Way
Charleston, West Virginia 25301

Ladies and Gentlemen:

Based upon the rates and charges set forth in the sewer rate ordinance of the City of Keyser (the "Issuer") finally enacted on January 28, 1999, as Ordinance No. 251, and the projected operation and maintenance expenses and anticipated customer usage as furnished to us by Chester Engineers, Inc. consulting engineers for the Issuer, and further based upon information (including financial information) and representations provided to us by the Issuer, all the foregoing of which has not been audited by us but to which we have made limited inquiries and performed calculations and procedures for the sole purpose of expressing the following assurance, it is our opinion that such rates and charges are sufficient to provide revenues which, together with other revenues of the sewerage system (the "System") of the Issuer, will pay all anticipated repair, operation and maintenance expenses and leave a balance each year equal to at least 110% of the maximum amount required in any year for debt service on the Issuer's Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) (the "Bonds"), to be issued to the West Virginia Water Development Authority on the date hereof, and all other obligations secured by a lien on or payable from the revenues of the System on a parity with the Bonds, including the Issuer's Sewer Revenue Bonds, Series 1980 (the "Series 1980 Bonds"), Sewer Revenue Bonds, Series 1986 (the "Series 1986 Bonds"), and Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program) (the "Series 1999 Bonds") (the "Series 1980 Bonds, the Series 1986 Bonds and the Series 1999 Bonds are referred to herein collectively as the "Prior Bonds").

Further, based upon information (including financial information) and representations provided to us by the Issuer, which information has not been audited by us but to which we have made limited inquiries and performed calculations and procedures for the sole purpose of expressing assurance as to the sufficiency of System Net Revenues available to meet the requirements of the Series 1986 Bonds and Series 1999 Bonds for the issuance of the Bonds on a parity with the Series 1986 Bonds and the Series 1999 Bonds, and further based upon the certificate of Chester Engineers, Inc. for the Issuer, which certificate is attached hereto, it is our opinion that the Net Revenues, as defined in the Bond Ordinances authorizing the issuance of the Series 1986 Bonds and the Series 1999 Bonds, actually derived from the System during any 12 consecutive months ("Test Period"), within the 18 months immediately preceding the date of the actual issuance of the Bonds, are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding year for the principal of and interest on the Prior Bonds and the Bonds.

BLAIR & COMPANY, A.C.

Blair & Company

CERTIFICATE OF CONSULTING ENGINEER

The undersigned authorized representative for Chester Engineers, Inc. for the City of Keyser (the "Issuer"), hereby certifies as follows:

We, having conducted such investigation as we have deemed necessary, believe the projected operation and maintenance expenses and anticipated customer usage referenced in the Certificate of Blair & Company, Certified Public Accountants, dated February 13, 2001 (the "Certificate"), to which this Certificate is to be attached, are reasonable and accurate.

Dated: February 13, 2001.

CHESTER ENGINEERS, INC.

By: _____

Its: Project Manager

GBB.GBB.0075912

CITY OF KEYSER CHARTER
(Chapter 89 - Acts of the Legislature, 1913)

AN ACT to incorporate the City of Keyser in the County of Mineral, West Virginia, defining the powers thereof and describing the limits of said City, and to repeal all acts and parts of acts inconsistent with the provisions of this act.

(Passed February 3, 1913. In effect from passage. Approved by the Governor February 20, 1913.)

SEC.
1. The City of Keyser; power defined.
2. Corporate limits.
3. Election precincts.
4. Qualification of voters.
5. Registration of voters.
6. Municipal authorities; primary and general election.
7. Contested elections.
8. Council.
9. Citizens' committee.
10. The mayor.
11. Departments of city government; salaries.
12. Meetings of council.
13. Improvements, ordinances and franchises.
14. Qualification of mayor and councilman.
15. Oath of officers.
16. General powers of council.
17. Municipal authority.
18. Assessment and collection of taxes.
19. Bonds.

SEC.
20. Licenses.
21. Franchises.
22. Mandamus.
23. Pavements and sidewalks
24. Nuisances.
25. Lien for taxes, etc.
26. Health, health commissioner
27. Ordinance general provision
28. Ordinance to be in writing and not changed, when.
29. Ordinances and vetoes shall be recorded, etc.
30. Duties of city clerk.
31. Duties of the treasurer.
32. Duties of city attorney.
33. Police department.
34. Duties of the street commissioner.
35. Power to condemn.
36. Recall.
37. Initiative.
38. Referendum.
39. Petitions.
40. Election to adopt or reject charter.
41. Acts repealed.

BE IT ENACTED BY THE LEGISLATURE OF WEST VIRGINIA:

THE CITY OF KEYSER.

Sec. 1. That the inhabitants of so much of the County of Mineral as are within the boundaries prescribed by Section Two of this Act, and their successors, shall be and remain, and they are hereby made a body politic and corporate, by the name and style of "the City of Keyser," and as such, and by that name may contract and be contracted with, sue and be sued, plead and be impleaded, answer and

be answered unto, and may purchase, take, receive, hold and use goods and chattels, lands and tenements, and choses in action, or any interest, right or estate therein, either for the proper use of said City, or in trust for the benefit of any person or corporation therein; and the same may grant, sell, convey, transfer, let, lease and assign, pledge, mortgage, charge and encumber in any case, and in any manner, in which it would be lawful for a private individual so to do, subject to the limitations and provisions of the constitution of the state; and may have and use a common seal and alter and renew the same at pleasure; and generally shall have all the rights, franchises, capacities and powers appertaining to like corporations in this state, and shall have and succeed to all powers, franchises and immunities, rights and privileges which were conferred upon or belonged or appertained to the Town of Keyser by virtue of any act or acts of the legislature of this state heretofore passed; and shall have all the rights, privileges, capacities and powers provided by Chapter Forty-seven of the Code of West Virginia, as contained in the edition of the year One Thousand Nine Hundred and Six, and amendments thereto, and for which provision is not herein otherwise expressly made. All general and special laws of the State of West Virginia, governing cities, towns and villages, and now applicable and not inconsistent with the provisions of this act, shall apply to and govern the City of Keyser. All by-laws, ordinances and resolutions lawfully passed and in force in the Town of Keyser, as heretofore constituted, and not inconsistent herewith, shall remain in force until altered or repealed by the council elected under the provisions of this Act, and shall extend to and over the whole of the City of Keyser as embraced in Section Two of this Act, and all valid ordinances enacted and now in force in the Town of South Keyser, as heretofore constituted, shall remain in full force and effect therein, until the Mayor and Council shall have been elected and qualified under the first election provided by this Act, at which time all of said ordinances shall ipso facto be repealed. All rights and property heretofore vested in said Towns of Keyser and South Keyser are continued and preserved, and no right or liability, either in favor of or against either of them, existing at the time, and no suit or prosecution of any kind, shall be affected by such change, unless otherwise provided for in this Act, and the said City of Keyser shall succeed to all the rights and liabilities of the Towns of Keyser and South Keyser, and it shall be liable for all the debts and obligations of said towns in the same manner and to the same effect as if such indebtedness had been created by the said City of Keyser.

CORPORATE LIMITS.

Sec. 2. The corporate limits and boundaries of said city shall be as follows, to-wit: Beginning at a large double poplar on the north-west side of, and at the mouth of White's run where it empties into the North branch of the Potomac River, standing North 35° 45' E. 236 feet from the north end of the Baltimore and Ohio Railroad culvert over said run, and running thence up the river with and near the state

line of West Virginia and Maryland, North 12° W. 462 feet to a sugar at a bend of the river; North 46° 37' W. 600 feet to a large black oak; North 36° W. 225 feet to a large black oak, with double ash pointers; North 61° 15' W. 241.5 feet to a large maple, with sassafras and water birch pointers on the bank of the main branch of the river; South 86° 23' W. 589 feet to a double elm; thence leaving the river, South 36° 43' W. 516 feet passing main tracks of Baltimore and Ohio Railroad, at 266 feet, their inspector's house at 406 feet, the Piedmont Road at 466 feet, leaving said railroad company's lands to a stone on a hillside on the W. A. Liller lands; thence along said hillside, South 8° E. 1,186 feet to a stone in a hollow in Liller's orchard near a spring, standing South 50° 30' W. 64 feet from a pointer marked ash tree, and 140 feet from and at right angles to the southerly side of Piedmont Street; thence, parallel to said street, South 51° E. 1,355 feet to a stone standing in the line of said Liller and Randall Harrison, 140 feet southerly from said street; thence leaving Liller and crossing Harrison and F. M. Reynolds vineyard tract, South 5° 20' W. 1,060 feet to the corner of Reynolds and Hetzel's addition to Keyser, in the old T. B. Davis, or Sheetz and McCarty line; thence along it crossing White's run, and the road leading up the mountain to Elk Garden, South 31° 45' E. 1,363 feet to a stone in this line by a large post on a hill, corner of Babb, Smith and Trout heirs land; thence leaving said line and with the division line of Babb and Smith; South 36° 33' W. 1,265 feet to a large post, formerly corner of the T. B. Davis and T. R. Carskadon lands; thence along their line, now Babb and others, South 50° 42' E. 1,267 feet passing a set stone, corner of the Davis and Carskadon lands at 1,021 feet, to a stone in the westerly line of an alley at the rear of the lots fronting on Mineral Street; thence with said line of said alley, South 48° W. 1,273 feet leaving the same at 1,060 feet crossing a street and running on the Carskadon lands, to a stone on the southerly side of Carskadon run; thence down and along said run with the southerly side of Carskadon lane crossing New Creek pike at 1,152 feet, New Creek at 1,214 feet, South 48° 56' E. 2,094 feet to two chestnuts and a stone on the mountain, on the Carskadon lands; thence along the mountain leaving said lands at 1,435 feet crossing J. R. Carskadon and Taylor land, North 50° 30' E. 4,375 feet to two maples, a locust and stone on the Joseph Arnold land, at the northeast end of a bench of the mountain; thence along the side of the mountain passing H. Vernon's corner at 930 feet, South 69° 12' E. 1,400 feet to a set stone on a hillside with two chestnut oak pointers, south of Arza Furbee's house; thence North 77° 30' E. 857 feet crossing the Headsville road and the Twin mountain and Potomac Railroad at the end of this line to a black walnut stump at the west edge of Limestone Run; thence down along the run, North 7° 55' W. 123 feet; North 8° 50' E. 277.5 feet to a point at the edge of the water; thence down and with the same passing under the county road bridge and the Baltimore and Ohio Railroad, through a culvert, North 37° 07' W. 256 feet to the mouth of said run where it empties into the North Branch of the Potomac River at the upper side of "lovers leap" at the state line of West Virginia and Maryland; thence up and with said state line, the direct lines being, South 70° 10' W. 330 feet;

North 58° W. 486 feet; North 30° W. 293 feet crossing the mouth of New Creek at 148 feet; North 32° 56' W. 250 feet; North 34° 30' W. 650 feet; North 6° W. 708 feet; North 38° 17' W. 196 feet; North 60° 23' W. 169.2 feet passing the Western Maryland railroad bridge at 26 feet to the center of the south end of the Keyser and McCoole highway bridge; North 59° 30' W. 1,188.6 feet; North 73° W. 800 feet to a three pronged willow at the edge of the water; North 68° 10' W. 686 feet to a large sycamore tree; North 63° W. 1,837 feet to a large poplar; thence North 43° 45' W. 666 feet to the beginning.

ELECTION PRECINCTS.

Sec. 3. The territory of said City shall be divided into such number of election precincts to include such territory as the council shall by ordinance adopt and fix, but for the purposes of the first primary and general election to be held under this Act the several election precincts heretofore established in the Town of Keyser and the Town of South Keyser shall constitute the election precincts for holding said first primary and election.

QUALIFICATION OF VOTERS.

Sec. 4. Every registered voter qualified by law to vote for a member of the legislature of the state, and who shall have been a resident of said City for six months preceding the day of election, and is a bona fide resident of the election precinct in which he offers to vote, shall be entitled to vote at all elections held in said City by or under the corporate authorities thereof. For the first primary and election hereunder those qualified voters resident in election precincts wherein elections were held for a member of the legislature in the year One Thousand Nine Hundred and Twelve, and at which no municipal election is held under this act, shall be regarded as residents of the municipal election precinct nearest to their actual residence.

REGISTRATION OF VOTERS.

Sec. 5. The registration of voters provided for under the general laws of the state shall be adopted in the City of Keyser, so far as applicable, and the council shall appoint registrars who shall have authority to register such persons who have moved into the municipality at least six months preceding an election and who are otherwise qualified to vote. Registration books shall be prepared under the direction of the City Clerk and furnished to the judges of the election, and all the provisions of the general law relating to the registration of voters shall apply in said City so far as applicable.

MUNICIPAL AUTHORITIES -- PRIMARY AND GENERAL ELECTION.

Sec. 6. For said City, there shall be elected at the regular municipal election to be held on the Tuesday after the first Monday in June, One Thousand Nine Hundred and Thirteen, a mayor and three

councilmen who shall hold their office for two years and until their successors are elected and qualified, except that the two councilmen elected, who shall receive the lowest number of votes, shall hold their office for one year, and on the Tuesday after the first Monday in June, One Thousand Nine Hundred and Fourteen, there shall be held an election for the purpose of electing two councilmen as their successors, who shall hold their office for two years and until their successors are elected and qualified, and thereafter, on the Tuesday after the first Monday in June in the succeeding year, a mayor and one councilman shall be elected and in the next succeeding year, on the Tuesday after the first Monday in June, two councilmen shall be elected, and in like manner thereafter, who shall hold their office for two years and until their successors are elected and qualified.

If any vacancy occurs in any such office, the remaining members of said Council shall appoint a person to fill such vacancy during the balance of the unexpired term.

Said officers shall be nominated and elected at large, and they shall qualify and their terms of office shall be two years and until their successors are elected and qualified, and shall begin on the first day of July after the election. The terms of office of the Mayor, Councilmen and Recorder in the Town of Keyser and the Town of South Keyser, in office at the beginning of the terms of office of the Mayor and Councilmen first elected under the provisions of this Act, shall then cease and determine, and the terms of office of all other elective or appointive officers in force in such towns, except as hereinafter provided, shall cease and determine as soon as the Council shall by resolution declare.

Candidates to be voted for at all general municipal elections at which a mayor and one councilman, or at which two councilmen are to be elected, under the provisions of this Act, shall be nominated by a primary election, and no other name shall be printed upon the general ballot except those elected in the manner hereinafter prescribed. The primary election for such nominations shall be held on the second Tuesday preceding the general municipal election. The judges of election shall be appointed by the Council for the general municipal election, who shall be the judges of the primary election, and it shall be held at the same place, so far as possible, and the polls shall be opened and closed at the same hours, with the same clerks as are required for said general municipal election. The Council of the Town of Keyser, as constituted at the passage of this Act, shall appoint the judges for the first primary and general elections to be held hereunder, but the Council of South Keyser, as constituted at the passage of this Act, shall have the right to nominate the judges for the first primary and general elections to be held hereunder for the election precinct embraced within the territory of South Keyser.

Any person desiring to become a candidate for mayor or councilman shall, at least ten days prior to said primary election, file with

the City Clerk a statement of such candidacy, in substantially the following form:

State of West Virginia, Mineral County, ss:

I, _____, being first duly sworn, say that I reside at _____ Street, City of Keyser, County of Mineral, State of West Virginia; that I am a qualified voter therein; that I am a candidate for nomination to the office of (mayor or councilman) to be voted upon at the primary election to be held on the _____ Tuesday of May, 19___, and I hereby request that my name be printed upon the official primary ballot for nomination by such primary election for such office.

(Signed)_____

Subscribed and sworn to (or affirmed) before me by _____ on this ____ day of _____, 19___.

(Signed)_____

And shall at the same time file therewith the petition of at least ten qualified voters requesting such candidacy. Each petition shall be verified by one or more persons as to the qualifications and residence, with street number, of each of the persons so signing the said petition, and the said petition shall be in substantially the following form:

PETITION ACCOMPANYING NOMINATING STATEMENT.

The undersigned, duly qualified electors of the City of Keyser, and residing at the places set opposite our respective names hereon, do hereby request that the name of (name of candidate) be placed on the ballot as a candidate for nomination for (name of office) at the primary election to be held in such city on the _____ Tuesday of May, 19___. We further state that we know him to be a qualified elector of said city and a man of good moral character, and qualified in our judgment, for the duties of such office.

Names of Qualified Electors. Number. Street.

Immediately upon the expiration of the time of filing the statements and petitions for candidates, the said City Clerk shall cause to be published in the newspapers published in the City, in proper form, the names of the persons as they are to appear upon the primary ballot; and shall cause copies of said list of names, as published, to be forthwith posted in at least ten conspicuous places in said City; and the said clerk shall thereupon cause the primary ballots to be

printed, authenticated with a facsimile of his signature. Upon the said ballot the names of the candidates for mayor, arranged alphabetically, shall first be placed, with a square at the left of each name and immediately below, the words "vote for one". Following these names, likewise arranged in alphabetical order, shall appear the names of the candidates for councilmen, with a square at the left of each name, and below the names of such candidates shall appear the words "vote for one". The ballot shall be printed upon plain, substantial white paper, and shall be headed:

"Candidates for nomination for mayor and councilmen of the City of Keyser, at the primary election," but shall have no party designation or mark whatever. The ballots shall be in substantially the following form:

(Place a cross in the square preceding the names of the parties you favor as candidates for the respective offices.)

OFFICIAL PRIMARY BALLOT.

Candidates for nomination for mayor and councilmen of the City of Keyser at the primary election.

For Mayor

[ ] (Name of candidate.)

(Vote for one.)

For Councilman.

[ ] (Name of candidate.)

(Vote for one.)

Official ballot, attest:

Signature _____, City Clerk.

At the first primary the direction shall be printed below the names of the candidates for councilmen, "vote for three," and in those years in which only two councilmen are to be elected, the ballot shall be headed:

"Candidates for nomination for councilmen of the City of Keyser at the primary election," and below the names of the candidates for councilmen shall be the direction "vote for two."

Having caused said ballot to be printed, the City Clerk shall cause to be delivered at each polling place a number of said ballots equal to twice the number of votes cast in such polling precinct at the last general municipal election for mayor. The persons who are qualified to vote at the general municipal election shall be qualified to vote at such primary election, and challenges can be made by not more than two persons, to be appointed at the time of opening the polls by the judges of election; and the law applicable to challenges at a

general municipal election shall be applicable to challenges made at such primary election.

All candidates before the primary may meet at least two days preceding the primary election and a majority thereof may select two challengers for each precinct whom they shall certify to the judge of election and the judge shall in such case appoint such persons certified as the challengers. Judges of election shall, immediately upon the closing of the polls, count the ballots and ascertain the number of votes cast in such precinct for each of the candidates, and make return thereof to the City Clerk before nine o'clock A.M., of the following day. On the day following the said primary election the council shall canvass said returns so received from all the polling precincts, and shall make and publish in all the newspapers of said City at least once, the result thereof. Said canvass shall be publicly made. In those years in which a mayor and one councilman are to be elected, the two candidates receiving the highest number of votes for mayor shall be the candidates and the only candidates whose names shall be placed upon the ballot for mayor at the next succeeding general municipal election, and the two candidates receiving the highest number of votes for councilmen, or if such candidate if less than two, shall be the candidates and the only candidates whose names shall be placed upon the ballot for councilmen at such municipal election; and in those years in which two councilmen are to be elected, the four candidates receiving the highest number of votes for coucilmen, or all such candidates if less than four, shall be the candidates and the only candidates whose names shall be placed upon the ballot for councilmen at such municipal election. At the first election under this Act, the six candidates receiving the highest number of votes for councilmen shall be placed upon the ballot for councilmen at such election. In the event of the death or resignation of a nominee before the election, the candidate receiving the next highest number of votes at the primary shall be placed on the ticket in his stead.

The ballot at such general municipal election shall be in the same general form as for such primary election, so far as applicable. All elections, of whatsoever kind, held under this Act, shall be conducted, returned and the result thereof ascertained and declared in the manner prescribed by the laws of the state relating to elections in so far as they are not in conflict or inconsistent with the provisions of this Act.

For the first primary and general election held under this Act, the duties herein required of the council of the City of Keyser shall be performed by the council of the Town of Keyser, and the duties herein required to be performed by the City Clerk, shall be performed by the recorder of the Town of Keyser, and contests in such cases shall be heard and determined by the council of the Town of Keyser.

CONTESTED ELECTIONS.

Sec. 7. All contested elections shall be heard and decided by the Council, and the contest shall be made and conducted in the same manner as provided for in such contests for county and district offices; and the Council shall conduct its proceedings in such cases as nearly as practicable in conformity with the proceedings of the county court in such cases.

COUNCIL.

Sec. 8. Said City shall be governed by a Council, consisting of the Mayor and three Councilmen chosen as provided in this Act. Each of said councilmen shall have the right to vote on all questions coming before the Council, but the Mayor shall have no such right. The three members of the Council, or the Mayor and two members of the Council, shall constitute a quorum, and the affirmative vote of two members shall be necessary to adopt any motion, resolution or ordinance or pass any measure. Upon every vote the yeas and nays shall be called and recorded, and every resolution or ordinance shall be reduced to writing and read before the vote is taken thereon.

CITIZENS' COMMITTEE.

Sec. 9. Whenever moneys are to be raised and procured for public improvements by the issuance and sale of bonds, or whenever application is made to the City for a public franchise, the Mayor shall, before any action is taken relating to the issuance of such bonds, or the granting or refusing of such franchise, by and with the consent and approval of the Council, appoint seven citizens of said City who shall have been actual residents therein for five years next preceding their appointment and who have been assessed with and paid taxes on at least One Thousand Dollars worth of property therein for the year preceding their appointment, to act in conjunction with the Council, and as a part thereof, in the consideration and determination of all matters and questions pertaining to the issuance of such bonds, or the granting or refusing of such franchises. Each of said citizens shall have a vote in the Council upon all questions relating to or arising out of the matters for which they were appointed, including the awarding of contracts, expenditure of the money and auditing and approving the accounts therefor. The said citizens shall receive such compensation as the Council may prescribe, take the same oath prescribed for councilmen and shall serve until all of the work for which such money was raised and procured, is fully completed, and the accounts of expenditures thereof finally audited and approved; or until such franchise has been granted or refused.

THE MAYOR.

Sec. 10. The Mayor shall preside at all meetings of the Council; he shall have power to veto any resolution or ordinance, passed by

the Council, and every resolution or ordinance so passed must be signed by him, or by the three councilmen, and be recorded before the same shall be in force. After the passage of any ordinance or resolution by the Council, the ordinance or resolution shall be presented to the Mayor for his approval or disapproval, and at the next regular meeting of the council, he shall return the same with his approval endorsed thereon, or accompanied by his veto and his reasons therefor reduced to writing and if he endorses his approval thereon, or fails to return the same as herein provided, such ordinance shall have full force and effect, but if accompanied by his veto and his reasons in writing the same shall have no force or effect but shall stand as reconsidered in the Council. The objection of the Mayor shall be entered at large upon the journal of its proceedings, and the Council shall proceed to consider the question which shall be in form: "Shall the ordinance or resolution pass, the objection of the mayor thereto notwithstanding?" The vote on the question shall be taken by yeas and nays and shall require the affirmative vote of all three members of the Council to pass such resolution or ordinance over the veto of the Mayor. Should such ordinance or resolution fail to receive the affirmative votes of all three members of the Council, when returned accompanied by the veto and objections of the Mayor thereto, it shall be null and void, but if it receives the affirmative vote of the three members of the Council, it shall thereupon become and be in full force and effect to the same extent as if it had received the approval of the Mayor.

The Mayor shall be superintendent of the department of public affairs and public safety, and he shall, at the first regular meeting of the Council, by and with the consent and approval of the Council, designate one councilman to be superintendent of the department of accounts and finance, one to be superintendent of the department of streets, alleys, parks, public improvements and public property, and one to be superintendent of the department of water works and sewers' but such designation, including that of the Mayor as superintendent of the department of public affairs and public safety, shall be changed whenever it appears to the Council that such change is necessary or advisable.

The Mayor shall at said first meeting nominate, and by and with the consent of the Council, shall appoint a city clerk, street commissioner, chief of police, city attorney, treasurer and such other officers and assistants, including regular policemen, as shall be provided for by ordinance and necessary to the proper and efficient conduct of the affairs of the City; all of said officers shall hold office during the term of the mayor by whom they are appointed and until their successors are appointed and qualified, unless sooner removed by the Council. Any officer, assistant or employee, elected, appointed or employed may be removed at any time by a vote of a majority of the members of the Council, under such regulations as the Council may prescribe. Should the Mayor fail or refuse to transmit to the Council nominations for any or all appointive offices for two successive

meetings of the Council, after he shall have qualified, or for two successive meetings after the Council has refused to confirm any nomination made by him, the Council shall fill such office or offices.

The Mayor shall be the chief executive officer of the City, and he shall, except as otherwise herein provided, see that the laws and ordinances of the City are enforced; that the peace and good order of the city are preserved; he shall be president of the Council and preside at its meetings, and shall supervise all departments and report to the Council for its action all matters requiring attention in any department, and he shall perform such other duties and services as the Council may ordain, in addition to the duties prescribed in this Act, and not inconsistent therewith. The superintendent of the department of accounts and finance shall be vice president of the Council, and in case of vacancy in the office of Mayor, or the absence or inability of the Mayor, shall perform the duties of Mayor.

DEPARTMENTS OF CITY GOVERNMENT--SALARIES.

Sec. 11. The Council shall have and possess, and the Council and its member shall exercise all executive, legislative and judicial powers conferred upon cities, towns and villages by the general law of the state and by this Act.

The executive and administrative powers, authority and duties in said city shall be distributed into and among four departments as follows:

1. Department of public affairs and public safety.

2. Department of accounts and finance.

3. Department of streets, alleys, parks, public improvements and public property.

4. Department of water works and sewers.

The council shall determine the powers and duties to be performed by, and assign them to the appropriate department; shall prescribe the powers and duties of officers and employees, may assign particular officers and employees to one or more of the departments; may require an officer or employee to perform duties in two or more departments; and may make such other rules and regulations as may be necessary or proper for the efficient and economical conduct of the business of the city.

The council shall have power from time to time to create and discontinue offices and employments other than herein prescribed, according to their judgment of the needs of the city, and may, by resolution or otherwise, prescribe, limit or change the compensation of such officers or employees.

The mayor and councilmen, and every other officer or assistant, shall receive such salary or compensation as the council shall by ordinance provide, payable in equal quarterly installments. The salary or compensation of all other employees of said city shall be fixed by the council and shall be payable at such periods as the council may determine.

MEETINGS OF COUNCIL.

Sec. 12. Regular meetings of the council shall be held on the first Tuesday of July in each year, and thereafter at least twice each month. The council shall provide by ordinance for the time for holding regular meetings, and special meetings may be called from time to time by the mayor or two councilmen. All meetings of the council, whether regular or special, at which any person not a city officer is admitted, shall be open to the public.

IMPROVEMENT ORDINANCES AND FRANCHISES.

Sec. 13. Every ordinance or resolution appropriating money or ordering any street improvement or sewer, or making or authorizing the making of any contract, or granting any franchise or right to occupy or use the streets, highways, bridges, or public places in the city for any purpose, shall be complete in the form in which it finally passes, and remain on file with the City Clerk for public inspection at least one week before the final passage or adoption thereof. No franchise or right to occupy or use the streets, highways, bridges or public places in said city shall be granted for a period exceeding thirty years, and no amendment or addition thereto shall extend beyond the termination of the original franchise.

QUALIFICATION OF MAYOR AND COUNCILMEN.

Sec. 14. No person shall be mayor or councilmen who has not for two years next preceding his election, been a resident within the city of Keyser, and who has not been assessed with and paid taxes upon at least Five Hundred Dollars worth of real or personal property.

OATH OF OFFICERS.

Sec. 15. All officers, elective and appointive, shall make oath, before some one authorized to administer oaths, that they will support the constitution of this state, and will faithfully and impartially discharge the duties of their respective offices, to the best of their skill and judgment; that they will not administer their respective offices with the aim to benefit any political party; and, in the case of councilmen, they shall add in their oath that they will not during their term of office become pecuniarly interested, directly or indirectly, in any contract with the city, or the purchase of any supplies therefor. When the officer shall have made such oath in writing and filed the same with the City Clerk, and shall have given the bond required of

and accepted from him, he shall be considered as having qualified for the office to which he was elected or appointed; provided, that if any person elected to the office of mayor or councilman shall not qualify for said office as herein prescribed within ten days after he shall have been officially declared elected thereto, said office shall ipso facto become vacant, and said vacancy shall be filled in the manner provided for in this act.

GENERAL POWERS OF COUNCIL.

Sec. 16. In addition to the powers conferred upon the council of cities, towns and villages, by the general laws of the state and amendments thereto, and those herein elsewhere enumerated, the council of said city shall have plenary power and authority therein; to locate, vacate, lay off, close, open, alter, grade, straighten, widen or narrow, pave or repave, construct and keep in repair bridges, viaducts, under grade crossings, roads, streets, alleys, sidewalks, cross walks, drains and gutters for the use of the public, or any of the citizens thereof, and to improve and light the same, and keep them clean and free from obstruction on or over them; provided, the municipality shall not be liable for or respond in damages for injury to persons or property caused by or from a defect or obstruction in or on the plat of ground between the gutter or curb of any street and the paved or plank sidewalk extending there along, or between any such sidewalk and the property lying next adjacent thereto, unless such municipality had acutal notice of such defect or obstruction prior to the time of the injury complained of; to regulate the width of sidewalks and the streets, and the width and care of the public grounds or grass plots abutting thereon, and to order the sidewalks, footways, cross walks, drains and gutters to be curbed and paved, or repaved and kept in good order, free and clean, and to provide for the removal of snow and ice therefrom, and for sprinkling the same, by the owners or occupants of the real property next adjacent thereto; and to require that all pavements shall be of uniform material, between any two cross streets; to regulate traffic on, and the use and occupancy of the streets, alleys, roads and highways of said city, and to regulate the speed of travel thereon of all vehicles, and to prohibit or regulate the use thereon of traction engines or other vehicles or loads causing injury to or unusual wear of the same, and to regulate the speed of engines or trains and street cars within the corporate limits, and to provide for the safety and convenience of the public on streets, alleys, roads, highways and railroad crossings, and to prevent the blocking of such crossings by trains; to regulate the erection, construction and location of telephone, electric light and other poles or structures, or conduits used to carry wires, and to cause the removal thereof from the surface of the streets and to require the wires to be placed under ground; to regulate the making of division fences and party walls by the owners of adjoining and adjacent premises and lots, and to regulate or require the drainage by the owner of such lots or other real estate by the proper drains, ditches and sewers, and to fill or cause to be filled any lot below the

established elevation or grade; to lay off, open, close, vacate or maintain public grounds, parks and public places, and name and rename the same; to regulate the planting, trimming and preservation of shade trees, by persons and corporations, in streets, alleys, roads, public grounds and places, and to provide for the planting, removal, trimming and preservation of such trees and other ornamental shrubbery by the municipality; to establish, maintain and regulate free public libraries and reading rooms, and to purchase books, papers, maps and manuscripts therefor, and to receive donations and bequests of money or property for the same, in trust or otherwise, and to provide for the rent and compensation for the use of any existing free public libraries established and managed by private corporation or association organized for that purpose; to protect divine worship in and about the premises where held; to regulate or prohibit street carnivals or street fairs, or street parades, advertising exhibitions or other exhibitions thereon, or the exhibition of natural or artificial curiosities; to regulate or prohibit the ringing of bells, blowing of steam whistles or use of hand organs or other musical instruments of any annoying character or other music or itinerant performers in the streets, roads, parks, or public places of the municipality; to license, regulate or prohibit auctioneering; to license or prohibit the sale of goods, wares and merchandise or of live animals at auction in the streets or other public places within the municipality; to regulate, license or prohibit the sale of goods, wares, merchandise, drugs or medicine on the streets or other public places; to prevent the illegal sale of intoxicating drinks, liquors, drugs and intoxicating mixtures of all kinds; to impose a license tax on persons keeping for hire automobiles, carriages, hacks, buggies, or wagons, or for carrying for hire persons or baggage in such vehicles; to establish and regulate hack stands and stands for automobiles, coaches, cabs and omnibuses kept on the streets for hire; to regulate or prohibit runners at railroad depots and stations and other places or assemblage of people; to regulate and assess and collect a license fee for the use of the municipality on any thing or business on which a state license is required, subject to the exemptions as provided in Section Thirty-two of the Code; to establish, locate and keep in repair, market places and market houses, and regulate markets, prescribe the time for holding the same and to authorize the seizure thereat and destruction of any and all such goods and drink products as shall be found unwholesome, dangerous or offensive, and without recourse against the municipality for its cost or value; to regulate the sale of all food and drink products, milk, fresh meats, fish and vegetables, and provide for the inspection of the same; to appoint market masters and invest them with power to make arrests for the violations of the municipal ordinances or regulations in their view, and to prevent regarding or forestalling; to regulate and provide for the weighing of hay, coal and other articles for sale in the market; to prevent injury or annoyance to the public or individual from anything dangerous, offensive or unwholesome; to regulate the keeping, handling and transportation of explosives and dangerous combustibles within the municipality; to regulate or prohibit the erection or maintenance in what council deems an improper locality

within the municipality any blacksmith shop, livery stable, cow house, cattle pen, poultry house, pig pen, privy, bill board, sign boards, gas or other engines or the use of walls or walks for signs, and to abat by summary proceeding whatever in the opinion of the council is a nuisance; to regulate or prohibit the distribution of hand bills, circulars and other advertisements of like kind on the streets, roads, alleys and public places, or in private yards, buildings or other structures without first having procured the consent of the owner or occupier thereof; to prohibit within the municipality or within one mile of its corporate limits the erection or maintenance of any slaughter house, scap factory, glue factory, lamp black factory, tannery or other house, shop or factory of like kind or character; to establish, regulate and maintain public baths and bath houses, drinking fountains, water troughs and public toilet stations, and free public band concerts, and to regulate the time and place of bathing in pools, streams and public waters within the police jurisdiction of the municipal corporation; to prevent hogs, cattle, sheep, horses and other animals and fowls of all kinds from going at large in the municipality, and to establish and maintain places for their detention, make regulations respecting the same, and appoint a pound master and define his duties; to arrest, convict and punish any person for keeping an assignation house, house of ill fame, or for leasing or letting to another person any house or other building for the purpose of being used or kept as an assignation house or a house of ill fame, or for knowingly permitting any house owned by him or under his control to be used or kept as an assignation house or house of ill fame, or for loafing, boarding or loitering in a house of ill fame or frequenting the same; to arrest, convict and punish any person for importing, printing, publishing, selling or distributing any book, picture or device or other thing containing obscene language or picture or make an indecent representation; to restrain and punish vagrants, mendicants, beggars, tramps, common prostitutes, and their associates and drunken or disorderly persons within the municipality, and to provide for their arrest and manner of punishment; to establish a board of health and invest it with the necessary power to attain its object; to establish quarantine, to enforce compulsory vaccination or quarantine, and to erect and maintain pest houses and places of detention, within or without said city, and to make and enforce necessary orders for controlling or preventing the spread of infectious and contagious diseases and for abating pestilences; to prohibit and punish by fine the bringing into the corporate limits by railroads or other carriers, persons who are paupers, or persons afflicted with contagious diseases, or to punish by fine, or by fine and imprisonment, any person so bringing within the corporate limits such pauper or diseased person; to provide for the poor of the municipality, and to that end the municipality may contract with the county court of Mineral County for keeping of such poor persons, or any number of them, at the county poor house at a price and on such terms as may be agreed upon between the county court and the proper municipal authorities; to authorize the taking up and to provide for the safe keeping and education, for such periods of time as may be deemed expedient, of all

children who are destitute of proper parental or other care and who are growing up in mendicancy, ignorance, idleness or vice; to establish and maintain, either within or outside of its limits, a house of correction or a house of refuge and a work house, or either of them, and, in the discretion of the municipality to place the same under the management and control of such directors, superintendents and other officers as the council may, by ordinance, provide. All children under the age of sixteen years, who shall be convicted of any offense made punishable by imprisonment under any ordinance of the municipality, or who shall be liable to be committed to prison under any such ordinance may be confined in such house of refuge, and may be there kept or apprenticed out under such rules as the municipality may prescribe, until they arrive at the age of eighteen years, unless for good cause sooner discharged. Any person over the age of sixteen years convicted of the violation of any ordinance of the municipality, and liable to be punished therefor by imprisonment, may in lieu thereof be committed to the house of correction or to the work house, as may be provided by ordinance. The authorities of any house of refuge, established by such municipality, are authorized to appoint a committee of one or more of their number with power to execute and deliver on behalf of said authorities, deeds of apprenticeship for any inmate of said institution when they deem a proper person for an apprenticeship to a trade or occupation, to such person as said committee, or the authorities may approve, and said deed shall have like force and effect as other deeds of apprenticeship under the laws of this state; a copy of every such deed shall be filed and kept in said institution by the superintendent thereof, and it shall not be necessary to file the same in any other place or office. When any inmate of said institution shall have been apprenticed and prove untrustworthy and unreformed, he or she shall be recommitted to the said institution to be held in the same manner as before said apprenticeship. The county court of Mineral County shall have the power to use said house of refuge or work house for children or persons of the age hereinbefore mentioned who shall be convicted in said county, in any court thereof, of any offense not of the grade of felony under the laws of this state; provided, said county court shall maintain its just proportion of the expense of such house of refuge or work house, to be levied for and paid out of the county treasury; to authorize the establishment and maintenance of juvenile courts, and to provide for the proper conduct of the same; to arrest, convict and punish any person for cruelly, unnecessarily or needlessly beating, torturing, mutilating, killing, or overloading or over-driving, or wilfully, depriving of necessary sustenance, any horse or other domestic animal; to restrain fraudulent practices within the municipality; to arrest, convict and punish any person for gambling or keeping any gaming table, commonly called fare bank table and chips used in playing such game; crap table or chips used in playing such game; or roulette or the wheel or chips used in playing such game; or keno table or table of like kind or device used in playing the same; or table or like kind under any denomination, whether the game or games by played with cards, dice or otherwise, or any person who shall be a

partner, or concerned in interest in the keeping or exhibiting of such gaming table, fare bank table or chips, roulette table, or chips, crap table or chips, keno table or devices, or keeping or maintaining any gaming house or place, or betting or gambling for money or anything of value, and to destroy such gambling paraphernalia as may be found in use on any such premises; to restrain all felons and persons guilty of offenses against this state or the United States and deliver them over to the authority or court having jurisdiction of the offense whereof such person is accused; to apprehend and punish any person, who, without a state license therefor, is guilty of carrying about his person, within the municipality, any revolver or other pistol, dirk, bowie knife, sling shot, raxor, billy, metallic or other false knuckles, or any other dangerous or deadly weapons of like kind and character as provided by Chapter Fifty-one of the acts of the legislature of One Thousand Nine Hundred and Nine, and the punishment therefor, whether for the first or other offense, shall be that prescribed by said chapter for any such person guilty under the misdemeanor clause provided therein but the place of confinement of such guilty person may be in the jail or lockup of the municipality in lieu of the county jail; provided, that the police judge of the municipality or other person exercising the functions of his office, may, in his discretion, decline to inflict the punishment therein mentioned, and instead thereof may require or hold such guilty person to answer an indictment by the grand jury of Mineral County for the violation of said law; and it shall be the duty of the prosecuting attorney of such county when requested by the police judge of said municipality, to appear and prosecute such offending person before such police judge; provided, further, that regularly appointed police officers of the municipality whose services are rendered to and paid for by the municipality, shall not be required to give bond, or any bond, provided by said Chapter Fifty-one of the acts of the legislature of One Thousand Nine Hundred and Nine; to provide in or near the corporate limits of the municipality a cemetery or other place for the burial of the dead, and to regulate interments therein, and to guard and police the same, and to provide for the cremation and incineration of dead human bodies, when from the nature of the malady or pestilence from which death ensued, the municipal board of health may direct; to regulate the erection, construction, alteration and repair of dwelling houses, buildings and other structures within the municipality and to compel the numbering of the same by the owners or occupiers thereof; to regulate the hanging of doors and the construction of stairways, elevators and fire escapes in theatres, churches, school buildings, factories and other places where many persons are received at one time, and to require the construction of fire escapes in such buildings; to regulate, by license and otherwise, plumbers, electricians, sewer tappers and vault cleaners; to establish fire limits, and to regulate the construction of buildings and designate materials to be used in the construction of buildings within such limits; to regulate the building of fire walls, fire places, chimneys, boilers, smoke stacks and stove pipes; to take down and remove, or make safe and secure, any and all buildings hereafter erected, and the alteration and repair of any by the owners thereof,

that are or may become dangerous, or to require the owners, or their agents, to take down and remove them or put them in a safe and sound condition at their own expense; to regulate the heighth, construction and inspection of all new buildings hereafter erected, and the alteration and repair of any buildings now or hereafter erected in the municipality, and to require permits to be obtained of the municipality for such buildings and structures and the repair or alteration thereof, and that plans and specifications thereof be submitted to the council or some person designated by it; to regulate the limits within which it shall be lawful to erect any steps, porticos, bay windows, bow windows, show windows, awnings, signs, columns, piers or other projection or structural ornaments of any kind for the houses or buildings fronting on any street; to provide for the prevention and extinguishment of fires, and for this purpose to organize, equip and govern fire companies and hose companies, and to prescribe the powers and duties of such companies and department, and of the several officers therefor, and to impose on those who fail to obey any lawful command of the officer in charge of such company any penalty which the council is authorized to impose for violations of an ordinance, and to give authority to such fire officer to direct the pulling down of any building or the destruction of any fence, wall, building or other thing if such officer deem it necessary to prevent the spreading of the fire; to protect the persons and property within the corporate limits, and to preserve the peace and good order therein, and for this purpose to appoint, when necessary, a police force, and such other officers, as may be deemed necessary; to prescribe the powers and define the duties of the officers appointed under corporate authority, fix their terms of service and compensation, if not otherwise prescribed in this act, and to require and take from them bonds, when deemed necessary, payable to the City of Keyser, with the sureties and in such penalties as may be prescribed, conditioned for the faithful discharge of their duties; to erect, own or lease street cars and street railway plant, and to build, equip, maintain and operate street railways within the municipality and to any park, cemetery or public place belonging to the municipal corporation outside of the corporate limits, and to collect of persons riding thereon, or receiving service thereof, a reasonable fare or compensation therefor; to erect, authorize or prohibit the erection of power plants, heating plants, gas works, electric light works or waterworks in the municipality, and to erect, own or lease and maintain within or without the corporate limits of the municipality such gas works, electric light, power works, waterworks and reservoirs to supply the municipality or its inhabitants with water, light, heat or power, and to prevent injury to the same or the pollution of the water or to impair the healthfulness thereof; provided, that whenever said municipality shall operate an electric light plant, a gas plant, or other public utility, except waterworks, in or for the municipality, all the money derived from the operation of the same shall go to the credit of the fund covering the operation of such plant only, and shall not be diverted therefrom so long as there is any bonded or other debt against the same; and such fund shall be applied to the operating

expenses of the plant which that fund covers, and it may be used to repair, improve, enlarge or replenish such plant, or to discharge in whole or in part any bonded or other debt against the same; to grant, by ordinance or franchise, for periods not exceeding thirty years, the use of its streets, roads, alleys and public places, to lay pipes, conduits, manholes, drains, and other necessary fixtures and appliances, to be used for supplying the municipality and its inhabitants with steam or hot water, or both, for heat and power purposes, or both, or for illuminating purposes; and to grant by ordinance or franchise, for periods not exceeding thirty years, the use of its streets, roads, alleys, and public places for the construction of movable or rolling roads, for the conveying or moving of passengers, freight and other property, and those in charge of the same, upon such terms and conditions as are hereafter prescribed; to grant by ordinance or resolution permits for the temporary use of its streets, roads, alleys and public places for the construction of movable or rolling roads, for the conveying or moving of passengers, freight, vehicles, animals or other property, upon such conditions as are hereinafter prescribed; to provide a revenue for the city and appropriate the same to its expense; to this act and to cause to be assessed and collected in each year an ad valorem tax, not to exceed fifty cents on one hundred dollars assessed valuation on all property in said city, subject to state and county taxes, as valued and returned for such taxation by the county assessor; to erect, buy, sell and lease all buildings necessary for the use of the city government, or any of its departments, including a town hall or play house, and to provide for, and regulate the same and establish and maintain public hospitals, and to receive donations, gifts and bequests for the same, in trust or otherwise; to compel the attendance at public meetings of the members of council, citizens' committee, or any officer or employee of said city; to prevent corrupt practices at all primary and general elections of said city and to fix the maximum sum of money that may be expended by any candidate for nomination or election; to prescribe the purposes for which the same may be used and the penalty or forfeiture to be imposed for violation, which may include the forfeiture of nomination or office; to provide for the removal and abatement of nuisances and to carry out and to enforce sanitary regulations; to regulate the sale of cocaine, morphine, opium and all poisonous drugs within said city, and to prescribe punishment, including fine and imprisonment, for the violation of any such regulation, and to provide that one or more convictions for violating the same shall operate as a revocation of the license of any druggist or pharmacist holding a license under said city; to provide penalties for the offense and violations of laws mentioned herein, but which shall not exceed the penalties provided for like offenses in Chapters One Hundred and forty-eight, One Hundred forty-nine and One Hundred Fifty-one of the Code of West Virginia; and to punish violations of all ordinances even if the offenses under and against the same shall also constitute an offense under the laws of the State of West Virginia.

MUNICIPAL AUTHORITY.

Sec. 17. To carry into effect these enumerated powers, and all other powers conferred upon said city, expressly or by implication, in this and other acts of the legislature, the municipal authorities of said city shall have power in the manner hereinafter prescribed, to adopt and enforce all needful orders, by-laws and ordinances not contrary to the laws and constitution of this state, and to prescribe, impose and enforce reasonable fines and penalties, including imprisonment, and shall have the right to use the jail of said county for any purpose necessary to the administration of its affairs. Such fines, penalties and imprisonment shall be recovered and enforced under the judgment of the police judge of the city, or the person lawfully exercising his functions.

The proceedings before the police judge, or other person exercising his functions, for enforcing regulations and penalties for violation of ordinances, shall be by warrant of arrest in the corporate name of the city, directed to the chief of police, other policemen of the city, or to any constable of Mineral County, commanding the person to whom direct in the name of the State of West Virginia, to forthwith apprehend the offender or cause him to be apprehended and brought before such police judge, or person there sitting, to answer said charge and to be dealt with according to law.

The warrant of arrest shall be issued only on the information under oath of some reliable person. It shall describe the offense alleged to have been committed where the same is a felony, as heretofore required in such cases by law, and where a violation of a city ordinance, it shall describe the offense in such general terms of the ordinance violated as shall inform the accused of the nature of the charge or charges, and command the officer to forthwith apprehend the accused and bring him before the police judge, or person exercising his functions, to be dealt with according to law. The officer issuing such warrant may endorse thereon, or by subpoena direct, the witnesses to be summoned, and may proceed against them for contempt if they fail or refuse to attend or to testify. All trials in the police court shall be by summary proceedings.

ASSIGNMENT AND COLLECTION OF TAXES.

Sec. 18. The levying and assessment and collection of taxes of said city, and the sale or real estate for such municipal taxes, forfeitures for non-payment and non-assessment thereof, transfer of title vested in the state, redemption of such forfeited real estate and deeds of conveyance therefor, shall, except as otherwise provided in this act, be made in the manner provided in, and subject to, the provisions of Chapters Nine of the Acts of the Legislature of Nineteen Hundred and Eight, extraordinary session, Twenty-Nine, Thirty, Thirty-One and One Hundred and Five of the Code.

BONDS.

Sec. 19. The council of the said city shall have the right to bond the said city for the purpose of paving the streets and alleys of said city and for constructing waterworks and a sewerage system for the same, and for the purpose of providing hose and other appliances for extinquishing fire, and for any and all public improvements, whenever the council thereof may deem improvements necessary, and to refund outstanding bonds at a lower rate of interest, and to issue new bonds for the purpose of increasing the length of the time on any such indebtedness, but the aggregate indebtedness of said city, for all purposes, shall not at any time exceed five per centum of the assessed valuation of the taxable property therein, based upon the valuation of the last assessment next preceding the date of incurring said indebtedness; and the said council shall by taxation, provide a fund for the payment of interest on any and all indebtedness incurred in the manner aforesaid within the period of thirty-four years; provided, that no debt shall be incurred hereunder until the question of a bond issue be submitted to a vote of the people and the issuance thereof authorized by a three-fifths votes. Such bonds shall not be sold for less than par, nor exchanged for the evidences of indebtedness of said city except dollar for dollar. The method of issuance and proceedings for conduct of election, shall, except as otherwise provided in this act, be in the manner and form provided by Chapter Forty-Seven-A of the Code.

LICENSES.

Sec. 20. Whenever anything for which a state license is required, is to be done within said city, or within two miles of the corporate limits thereof, the municipal authorities, as herein provided, may require a city license to be had for doing the same, and may, in any case require from any person licensed, a bond with sureties and in such penalty and with such conditions as it may deem proper, and the council on notice, may revoke such license at any time if the condition of the said bond be broken. And the municipal authorities may also impose a license and assess a tax thereon on all wheeled vehicles for public hire, all dogs kept within said corporate limits, all insurance, bonding, casualty and guaranty companies, all franchises heretofore granted by the Towns of Keyser and South Keyser or hereafter granted by the city, bill posting and distributing, and the making, erection and construction of signs and street advertisements, book agents, common criers, moving picture shows, drays, cabs, hacks, etc., eating houses, restaurants, and places where soft drinks are sold, express companies, hitting and striking machines, livery and feed stables, omnibuses, electric light and gas companies. The municipal authorities may prescribe, impose and enforce reasonable fines and penalties, including imprisonment, under the order of the police judge of said city, or the person lawfully exercising his functions, upon any person carrying or attempting to carry on any business for which the said license is required, without first obtaining

a city license therefor, and
thereon. All licenses provide
treasurer. For the purpose of
the City shall have police
corporation limits thereof.

Public Hearing 2/26/92 10m
Council Meeting Proposal 2/26/92 20m
Publication Before Passage 30 Days 3/2/92
Council Meetings 3/11/92 3/25/92
Publish 3/27/92

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Sec. 21. Franchises may
regulations provided in Section
mayor, allowing to persons a
occupancy of portions of the
as may be necessary for works of public utility
steam railway tracks, street railway tracks, poles and trolley wires, telegraph and telephone poles and subways, electric light and other electric poles, waterworks, wires, and subways and gas and steam pipe lines. But no such franchise shall hereafter be granted except under the following restrictions and conditions, namely:

No ordinance granting any franchise for the use of the streets, roads, alleys or public grounds of the municipality, for any of the purposes of public utility above named, or for any other purpose of like nature, except as hereinafter provided, shall be passed unless it shall have been first proposed in the council; and notice of the object, nature and extent of such franchise shall be published at least thirty days by the applicant, at his expense, in some newspaper published in said municipality, before being acted upon, and shall have received the votes of at least a majority of all the members elected to the council and citizens appointed as provided in Section Nine, at a regular meeting or meetings, and after said publication. The votes thereon shall be taken by yeas and nays, and the same entered in the journal. Upon being passed by the council the ordinance granting said franchise shall be forthwith transmitted by the municipal clerk to the mayor for his approval or disapproval, and in case of his disapproval of same, it shall not be considered as passed unless it again receives the affirmative vote of a majority of the members elected to the council and citizens appointed as provided in Section Nine. If the franchise is amended, after having been vetoed by the mayor, it shall be subject to the veto of the mayor as in the first instance. After the ordinance granting such franchise has been passed, it shall be published in full, at the expense of the applicant, at least once within the period of ten days thereafter, in some newspaper of general circulation in the municipality, and one copy of the same shall be filed with the municipal clerk, who shall preserve the same as a public record.

The council may grant a permit at any time in or upon any street, road, alley or public place; provided, that such permit may be revocable by the council at its pleasure, at any time, whether such right to revoke be expressly reserved in every such permit or not.

All franchises and privileges hereafter granted shall plainly specify on what particular street, road, alley or other public property the same shall apply, and no franchise or privilege shall hereafter be granted by the municipality in general terms, or to apply to the municipality generally. No exclusive franchise shall ever be granted, and no franchise shall be renewed before three years prior to its expiration.

Every grant of any franchise shall be for a limited period of time. If no limit be expressly provided in the grant, the franchise shall be for one year only. In no case shall the franchise extend for a period exceeding thirty years.

No grant of any such franchise shall be made without, at the time of making it, providing that the grantee shall indemnify the municipality against all damages caused by the construction of such works. All reasonable additional provisions and conditions may be made for the protection of the public from unnecessary damages or inconvenience by reason of such works and the operation thereof.

No extension or enlargement of any franchise or grant of rights or powers previously granted to any corporation, person or association of persons, shall be made except in the manner and subject to all the conditions herein provided for the making of original grants of franchises.

Council shall, in suitable, practical terms, make it an express condition of the grant of a franchise, where it is for a work that is useful chiefly to the local public, that, at the expiration of the franchise, the grantee shall, if required by the council, sell to the municipality the physical plant at what it is then worth independent of any value based upon the earning power thereof, and may also provide a means by arbitration or otherwise for determining what said value may be.

No grant of a franchise for the extension of, or addition to, any line of such work, over any street or territory in said municipality, shall be made for a period extending beyond the time limited for the expiration of the franchise of the principal work of which it is an extension, and if the franchise of the principal company or work is one which was granted before this act goes into effect, the franchise granted for the extension or addition shall nevertheless be subject to the condition hereof, including a time limit herein specified.

If a franchise secured from the municipality by an individual or by an independent or new company, and the work constructed thereunder afterwards becomes a part of, or to be operated as a part of, a large work of the same kind, whose franchise was previously obtained and is limited to expire earlier, such later franchise shall, by reason of such annexation, merger or single operation, expire simultaneously with such earlier franchise of the old company or work. An annual

franchise tax of not less than fifty dollars shall be charged and collected on all franchises heretofore granted by the Towns of Keyser and South Keyser or hereafter granted by the City.

MANDAMUS.

Sec. 22. In all cases where any individual, association of individuals or corporation has obtained or shall obtain any right, privilege or franchise to operate a street car line, lines of cars in whole or in part upon the streets, roads or alleys of the municipality, or to furnish to such municipality or the inhabitants thereof water, gas or electricity, or to construct or operate a telephone or telegraph system in any such municipality, and the terms, conditions or manner of exercising such right, privileges or franchises are embodied in the ordinance or resolution of the municipality, or are otherwise, either voluntarily or by law, imposed or assumed by said individual, association of individuals or corporation, then and in each of such cases the Circuit Court of Mineral County shall have power by mandamus to compel such individual, association of individuals or corporation and their assigns, to use and exercise such right, privilege or franchise in accordance with the terms and conditions and in the manner prescribed in said ordinance or resolution or otherwise lawfully so defined or assumed, and to do and perform each and every obligation and duty attached to such right, privilege or franchise, whether or not such obligation and duty be voluntarily assumed or by law attached thereto or imposed thereby.

Such mandamus maybe awarded at the instance of the municipality in its corporate name, or at the instance of any taxpayer or taxpayers; and the foregoing remedy by mandamus shall not be construed to deprive such municipal corporation, or any inhabitant thereof, of any other remedy given by law to compel such individual, association of individuals or corporation to comply with the terms, conditions and agreements of such right, privilege, or franchise, or of the right to recover damages for their failure so to do, or to effect, remove or lessen the liability of such individual, association of individuals or corporation, to forfeiture of such right, privilege or franchise for failure so to use and exercise such right, privilege or franchise.

PAVEMENTS AND SIDEWALKS.

Sec. 23. The council shall have the right to establish the width of any sidewalk along any street, alley or public square, or portion thereof, and any owner, of ground fronting on such street, alley or public square, shall in such manner as the council shall reasonably prescribe, pave and curb the sidewalk adjacent to such property. In case of a failure or refusal of such owner to pave or curb the same, the council may cause the same to be properly curbed and paved by the city, and levy and collect from such owner, the whole cost of such curbing and paving adjacent to such property, with a penalty of five per centum added thereto, together with six per centum interest until

paid; and in like manner to require the owner of any property adjacent to any paved sidewalk heretofore or hereafter constructed, to keep the same in repair and in default of doing so, to cause the same to be repaired and to levy and collect from said owners the whole cost thereof with a penalty of five per centum added thereto together with six per centum interest per annum until paid. In all cases of such assessment, whether for the original or for the repairing of sidewalks, payment thereof, including penalties and interest, shall be made to the City Clerk within thirty days after the completion of the work, who shall have power to collect the same from the owner or owners of any such property, by distress and sale in the same manner in which taxes levied for the benefit of the city are authorized to be collected; and in addition, there shall be a lien upon such real estate, which lien may be enforced by appropriate suit in any court of record of Mineral County.

NUISANCES.

Sec. 24. The council of said city is hereby authorized to decide and adjudge what constitutes a nuisance within the municipality, or within two miles thereof, when not within the limits of another municipality and may require and compel the person committing or maintaining the same, or any owner, agent, assignee, occupant or tenant, of any lot, premises, property, building or structure, upon or in which any nuisance may be, to abate and remove the same upon order from such municipal body, or from the board of health, or health officer, or other officer of the municipality acting with authority in the premises; and the council may prescribe by ordinance a penalty for the punishment of any such person who may refuse, fail or neglect to abate or remove any such nuisance within the time specified in the notice therefor.

The council may also by its own officers, appointees and employees, abate and remove nuisances, after reasonable notice to the owner, occupant, tenant, agent or assignee to abate and remove such nuisance, and collect the expense thereof, with one per centum per month interest added from the date of said notice, from said owner, occupant, tenant, agent or assignee, by distress or sale in the same manner in which taxes levied upon real estate for the benefit of the municipality are authorized to be collected under this act; and the expense shall remain a lien upon said lot or part of lot the same as taxes levied upon real estate in the municipality, which lien is in addition to the remedy specified in this section and may be enforced as provided in Section Twenty-five of this act.

In case of nonresident owners of real estate, such notice may be served upon any tenant, occupant, assignee or rental agent of said premises, or on such nonresident owner or infant or insane owner by publication thereof for not less than two consecutive weeks in a newspaper published in the municipality. The abatement or removal of any such nuisance by the municipality, and at its expense, as herein

provided, shall be prima facie proof that the said notice to the owner, occupant, tenant, agent or assignee was given as herein required.

The council may require all owners, tenants and occupants of improved property, which may be located upon or near any street, road, alley, along which may extend any sewer or system of sewerage, which the municipality may construct, own or control, to connect with such sewer or system of sewerage, all drains, cesspools, sinks, privies or water closets, upon their respective properties, or premises, so that their contents may be made to empty into such sewer or system of sewerage.

And in all cases where any tenant, occupant or agent is required to abate and remove any nuisance, under the provisions of this section, or comply with the provisions of any such ordinance as is mentioned herein, the expense thereof may be deducted out of the accruing or accrued rent of said property, or amount due said owner or agent, and such tenant, occupant or agent may recover the amount so paid from the owner, unless otherwise especially agreed upon between them.

The council may by ordinance regulate the location, construction, repair, use, emptying, and cleaning of all water closets, privies, cesspools, sinks, plumbing, drains, yards, pens, stables and other places where offensive or dangerous substances or liquids are or may accumulate and may provide suitable penalties for the violation of such regulations which may be enforced against the owner, agents, assignees, occupant or tenant of any premises or structure where such violation may occur.

The council shall have authority and jurisdiction of and over the water reservoirs, pipe lines and property adjacent, and all other property of the city located in Mineral County, whether the same be within the corporate limits of said city or not, and for the protection and preservation of the same shall have authority to pass all necessary ordinances, rules and regulations and to provide penalties for the violation thereof; and the police judge, or officer exercising his functions, shall have jurisdiction to try offenders against such ordinances, and his warrant may be directed to any police officer of the city, or to any constable or the sheriff of Mineral County, and may be served and the offender arrested anywhere in said county.

LIEN FOR TAXES, ETC.

Sec. 25. There shall be a lien on real estate within said city for city taxes assessed thereon, and for all fines and penalties assessed to or imposed upon the owners thereof, by the authorities of such city, including expenses for making sidewalks and paving and curbing the same, and for furnishing water, electric lights or other public utilities when furnished by said city, from the time the same are assessed or imposed, which shall have priority over all other liens except taxes or

debts due the United States and the lien for taxes due the state, county or district; and such lien may be enforced by the council in the same manner provided by law for the enforcement of a lien for county taxes, and any time after six months after such lien attaches, the city may in its own corporate name proceed to the enforcement of said lien against the real estate chargeable therewith by a suit in equity. If any real estate within said city be returned delinquent for the nonpayment of city taxes due thereon, a copy of such delinquent list shall be certified by the council to the auditor of this state and the same may be sold for city taxes, interest and commissions thereon in the same manner, at the same time, and by the same officers as real estate is sold for state taxes; and a return of such sales made to and a deed executed therefor, if not redeemed, in the same manner and with like effect, as the return of sales of real estate for state taxes is made and deeds therefor executed to the purchasers.

Liens against real estate for the cost of abating or removing nuisances by the municipality, as provided in Section Twenty-four herein and the cost of constructing and repairing sidewalks, walkways and curbs by the municipality as provided in Section Twenty-three herein, may be enforced by suit in equity, before any court having jurisdiction, as other liens against real estate are enforced, and this remedy shall be in addition to the imposition of all other remedies and penalties in the premises under the provision of this act; provided, that in the case of laying or repairing sidewalks, and abating nuisances, there shall be first admitted to record in the Office of the Clerk of the County Court of Mineral County, an abstract or statement of the judgment of the council fixing the amount of the expense of laying or repairing such sidewalk or curb or abating or removing such nuisance, together with the penalty of one per centum per month on said amount from the time so fixed until paid, as provided in this act. Said abstract or statement may be certified by the City Clerk; and after the amount of the assessment and penalty is due by the terms of the ordinance or resolution laying the same, and a certificate of such levy and assessment, together with the name of the owner and occupier of said property, its location and description, has been filed in the Office of the Clerk of the County Court of Mineral County, and in satisfaction of the amount so due such municipality, and cost of the proceeding, the said real estate may be sold, and the proceeds applied to the payment of the amount so due.

Water, electric light, power and heating bills and other bills of like kind due the municipality, owning or operating such plant or plants, may be distrained for and collection enforced in the same manner in which the collection of taxes owing to the municipality may be enforced. The municipal authorities may also shut off the supply of such water, light, heat, power or other commodity from such delinquent person or company and refuse thereafter to furnish such service or commodity to said delinquent until all arrearages are paid.

HEALTH--HEALTH COMMISSIONER.

Sec. 26. The council shall have authority to ordain and enforce such regulation within said city, as shall be necessary or proper to preserve the health of the inhabitants of said city, and to secure them from disease; to require and compel the abatement and removal of all nuisances within said city, at the expense of the person or persons causing the same, or of the owner or owners of the ground whereon the same shall be; to prevent or regulate slaughter houses within said city; or the exercise of any offensive or unhealthy business, trade or employment therein; to prevent the keeping of any stale meats, fish, vegetables or other matter, or depositing the same, or dirt, rubbish, or offal, upon any lot, street, alley or square within the said city, or upon the banks of any streams within the limits thereof.

The mayor, by and with the consent of the council, shall in the month of July, One Thousand Nine Hundred and Thirteen, and in said month of every second year thereafter, appoint a suitable person, who shall be a practicing physician, as health commissioner, whose term of office shall be for two years, and until his successor is appointed and qualified. The members of the council, the mayor, city attorney and health commissioner shall comprise the board of health of said city. The health commissioner shall be charged with the duty of enforcing all quarantine regulations and of all regulations for keeping the streets, roads, alleys and sidewalks of the city, and all premises therein, in a sanitary condition. He shall be authorized to enter all houses, or other places, public or private, at all times, in the discharge of his duties, in improving and maintaining the sanitation of the city and the prevention and suppression of disease, and he shall have the power and be required to carry into effect all of the provisions of Section Twenty-four of this act relating to the abatement of nuisances, under such regulations as the council may by ordinance prescribe. He shall be authorized to do all acts and make all regulations that may be necessary or expedient for the promotion of health and the prevention and suppression of disease; he shall have the right to inspect all wells, cisterns and water supplies in said city and to prohibit the use thereof if necessary in his judgment to prevent or suppress disease; he shall have the right to inspect all milk, meat, fish, oysters, vegetables and all other food stuff displayed or offered for sale in said city and to make such rules and regulations touching the preparation, display, delivery and sale thereof, as he may deem prudent, necessary and proper for cleanliness and the prevention and suppression of disease, and he shall perform such other duties as may be prescribed by the council, and shall have and exercise all of the powers and duties conferred upon the county board of health. He shall give public notice, in such manner as he may deem necessary, of any rule or regulation promulgated by him under this act, and any person, firm or corporation who shall violate the same, after proclamation thereof, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not less than ten nor more than one hundred dollars, and for a second offense may be confined in jail not

more than thirty days. Every practicing physician shall forthwith report to the health commissioner every infectious or contagious disease which he is called upon to treat within said city; and if any such physician shall fail to make such report within one day after he has discovered such infectious or contagious disease, he shall be guilty of a misdemeanor and upon conviction shall be fined not less than ten nor more than one hundred dollars. The City Clerk, in his capacity of police judge, shall have jurisdiction of all offenses hereunder.

The council shall have authority to provide, under the supervision of the health commissioner, proper vaccine serum, whenever an epidemic of smallpox is threatened, and the health commissioner shall vaccinate any applicant upon the payment to him of such fee as the council shall by ordinance prescribe, and he shall thereupon issue a certificate to the patient showing his vaccination. And the council may, in like manner, in any proper case, provide antitoxin lymph or serum for immunizing against or preventing the spread of diphtheria, typhoid fever, meningitis, or other infectious or contagious disease or epidemic, and may furnish the same free to indigent persons.

ORDINANCES--GENERAL PROVISIONS.

Sec. 27. The style of the ordinances of the city shall be: "Be it ordained by the council of the City of Keyser;" but the ordinances now in force shall remain in effect until amended or repealed, except where the same are in conflict or inconsistent with this act.

Sec. 28. All ordinances shall be presented in writing, and no ordinance shall be so amended in its passage as to change its general purpose. No ordinance shall be considered for final passage at the meeting at which it is introduced, unless by unanimous consent entered of record. No ordinance shall contain more than one subject, which shall be clearly expressed in its title; nor shall any ordinance be passed by the council unless a majority of all the members elected to the council shall concur therein by yeas and nays when the question is put upon its passage.

Sec. 29. All ordinances passed by the council, and vetoes of the mayor, shall be spread at large upon the journal, and at the next regular meeting such ordinances and vetoes shall be read in open council, and the mayor shall sign said minutes, when found correct or corrected, in the presence of the council. The council shall provide a well bound book in which shall be copied all ordinances in the order in which they are passed, which ordinances so copied shall be compared with the originals by the mayor and shall be signed by him when found correct. Such book shall be indexed so as to show in brief form the substance of the ordinance. All copies thereof certified, under the hand of the City Clerk and the seal of the City, shall be received by all courts and justices in this state as evidence. But the

council may adopt, by ordinance, properly designating and describing it, a code of laws and ordinances, which when adopted shall be printed in book form, or it may be adopted as a whole after it is printed, and the said code shall be and become the laws and ordinances of said City, and shall be received as such in all courts of this state, and the printed volumes published under the order of the council shall be so received as evidence of what is printed therein until errors or omissions be affirmatively shown therein.

DUTIES OF THE CITY CLERK.

Sec. 30. The City Clerk shall serve for a term of two years, unless sooner removed for cause. He shall, before entering upon the discharge of his duties as such clerk, take and subscribe to the oath of office prescribed in Section Fifteen of this act, and shall execute such bond as shall be fixed by council which bond shall be approved by council and filed with the treasurer.

In addition to all the other duties prescribed in this act, the City Clerk shall keep the records of the council, and he, or his deputy, shall be present at all regular and special meetings of that body. It shall be his duty to properly record in a well bound book all the proceedings of council as well as a complete record of all ordinances, franchises, bonds, permits and resolutions adopted or passed by council, and to properly index the same, for the convenience and inspection of the council, or any city official or taxpayer.

Before any business at any regular meeting of the council is undertaken it shall be the duty of the clerk to read publicly to the council the minutes of all regular or special meeting of that body, not theretofore read or approved, and upon approval of same by council, the signatures of the mayor and clerk shall forthwith be affixed. All records of council so approved and signed, or duly authenticated copy thereof, signed by the clerk and under the seal of the city, shall be admitted as evidence in any proper case in any court in this state.

The City Clerk, except as may be otherwise herein provided, shall be the custodian of the records and papers of the city and the seal of the city, which shall be kept by him at his office, and the records and papers shall be open to public inspection at all proper hours. He shall, acting under existing laws, in so far as they are not in conflict with this act, perform such duties relating to all city elections held under this act, as the clerks of the circuit or county courts perform, under state laws, in relation to the holding of general or special elections; and he shall likewise be the custodian of all registration books, ballots, tally sheets, etc., pertaining to all municipal elections.

The City Clerk shall have power within the municipality to administer oaths and take acknowledgements of deeds and other instruments required by law to be acknowledged, in the same manner

and with like effect and under the same penalties as notaries public, justices of the peace and other officers of the state are authorized to administer oaths, or take acknowledgements, under state laws.

It shall be the duty of the City Clerk, who shall be the assessor, to make an assessment of the property within the city subject to taxation, substantially in the manner and form in which assessments are made by the assessor of the county, and return the same to the council on or before the first day of August in each year, and for the purpose he shall have all powers conferred by law on county assessors. He shall list the number of dogs in the city and the names of the persons owning the same, which list shall be returned to the council. In order to aid the said council in ascertaining the property and tithables subject to taxation by said city, the City Clerk (who shall act as assessor) of said city, shall have access to all books and public records of Mineral County without expense to said city or assessor, and he shall also have the same power and be subject to the same penalties in ascertaining and assessing the property and subjects of taxation in said city as are granted and imposed upon the county assessors throughout the state by the general state law, and the council shall also have authority to prescribe by ordinance such other rules and regulations as may be necessary to enable and require such assessor to ascertain and properly assess all property and tithables liable to be taxed by said city so that such assessment and taxation shall be uniform, and to enforce such ordinances by reasonable fines and penalties. And the said city assessor, making the valuation for assessment, shall make the same assessment for both real and personal property as the assessor of said county for the assessment year assessed by the county assessor. The City Clerk shall have an office in the city hall, council chamber or such other place as the council may designate and provide. He shall keep his office open at least three consecutive hours in the forenoon and afternoon of each day.

In addition to the duties hereinbefore set out and otherwise provided in this act, the City Clerk shall by virtue of his office be the police judge of the city, and his oath of office and the conditions of his bond shall extend to and cover his duties and obligations as police judge. The City Clerk shall, as such police judge, be ex officio a justice of the peace with authority to issue warrants or other process for all offenses within the police jurisdiction of the city, of which a justice of the peace has jurisdiction under state laws, and for all violations of any city ordinance. In order to preserve the peace and good order of the city and protect the persons and property therein, riotous and disorderly persons in the city may be arrested and detained before issuing any warrant therefor. He shall hold daily sessions of his said court, Sundays excepted. He shall have and exercise all of the civil jurisdiction conferred by law upon justices of the peace, but before proceeding to act in such capacity, he shall file with the Clerk of the County Court of Mineral County, a certificate from the mayor of said city showing his appointment and qualification as City Clerk, and shall thereupon take the oath and execute the bond required to be taken and executed by justices of the peace.

The police judge may commit persons charged with felony or misdemeanor to jail or take bond for their appearance before the grand jury, but he shall receive no fees or other compensation for such services; he shall have power to issue executions for all fines, penalties and costs imposed by him, and he may require the immediate payment thereof, and in default of such payment may commit the person so in default to jail, until the fine and penalty and costs shall be paid or satisfied, and any one so committed may be required to work during imprisonment, as required by council.

If any person is sentenced to imprisonment, or any person or corporation is assessed with a fine of ten dollars or more, such person or corporation shall be allowed an appeal from said decision of the police judge to the Circuit Court of Mineral county, upon the execution of an appeal bond with surety deemed sufficient and approved by the police judge in a penalty double such fine and costs conditioned that the person or corporation proposing to appeal will perform and satisfy any judgment which may be rendered against him or it by said court on such appeal; and in no case shall a fine of less than ten dollars be given by the police judge, if the defendant, his agent or attorney request that the fine be made as much as ten dollars.

If the appeal be taken, the warrant of arrest, the transcript of the judgment, the appeal bond and other papers of the case shall be forthwith delivered by the police judge to the Clerk of the Court to which such appeal is taken, and said court shall proceed to try the case as upon indictment or presentment and render such judgment, including that of costs, as the law and evidence may demand.

The police judge shall be authorized to suspend sentence or parole any juvenile offender under the age of sixteen years, who may be brought before him for the violation of any ordinance of the city or charged with any misdemeanor under the laws of the state; he shall prescribe the conditions of such parole and enter them in his docket and may commit the offender to the care and custody of any proper person, with a view to the correction and reformation of such offender, and may take from such person such bond or security, conditioned as he shall prescribe. The chief of police, or a policeman designated by him, shall attend all sessions of the police court and perform such duties as may be required by ordinance or requested by the police judge.

The police judge shall keep in a well bound book a complete record of all cases heard and considered by him, and he shall account for and pay over the amount of all fines, as well as the fees of himself and other officers, under salary, collected by him, weekly, to the treasurer of the city, and shall make monthly reports thereof, and of all other matters pertaining to his office to the council of the city. In the absence of the police judge the mayor of the city shall sit as such police judge with the same power and authority.

The police judge, if an attorney, shall not practice in said police court as an attorney or counselor or in any case appealed or removed therefrom, but shall have the right to practice law as an attorney in other courts and cases.

In addition to the other duties to be performed by the City Clerk, he shall also be the city collector, charged with the duty of collecting all taxes, levies, assessments, water rents and all other funds due the city, except licenses; and as such collector shall have and exercise all of the rights, authority and powers conferred upon town sergeants by the general law of the state with reference to the collection of taxes and funds of cities, towns and villages, and upon sheriffs with reference to the collection of state and county taxes and funds. He shall at least once in each week, or oftener if the council so require, account for and pay over to the city treasurer all moneys received by him as such collector; he shall before entering upon the duties of his office give the bond hereinbefore required, payable to the City of Keyser in the penalty of not less than five thousand dollars, conditioned for the faithful performance of the duties of the office of City Clerk, collector and police judge and to account for and pay over, as required by law, all moneys which may come into his hands by virtue of any and all of said offices, and shall be chargeable with all of the city taxes, levies, assessments and water rents, from the time the bills therefor are required to be made up and collected, and with all moneys of the city, including fines, fees and penalties, that may come into his hands. He shall receive no fees or commissions for his services, but shall account to the city for all fees received by him, except those received by him when acting in civil suits, taking depositions or acknowledgements. He shall at the first stated meeting of the council in each month make his report to the council of all moneys and credits coming to his hands as City Clerk, police judge and collector, accompanied by a receipt or receipts from the treasurer showing that said moneys have been paid to him, and he shall publish once in every six months a detailed itemized statement of all receipts and expenses of the city for the proceding six months.

The City Clerk may appoint such deputies and assistants, with the approval of the council, as the duties of his office render necessary. The deputies shall take the oath required of the City Clerk and shall give such bond as he may require, but such deputies or assistants shall not perform any judicial duty of the police judge.

The salary fixed for the City Clerk, which shall not be increased or diminished during his term of office, shall be deemed to include all the services of all deputies, clerks and agents employed by him, and no additional allowance shall be made for, or on account of, any such services so rendered by the City Clerk.

DUTIES OF THE TREASURER.

Sec. 31. The Treasurer shall receive and account for all moneys from all sources of municipal revenue. All license taxes and fees shall be paid him direct by the person to whom such license is issued, and no license shall be valid without the receipt of the treasurer for such tax and fees endorsed thereon. All officers and agents of the city, authorized to receive money for the city, or revenues thereof, from any source whatsoever, shall pay over to the Treasurer such moneys and revenues within one week after the receipt thereof, or sooner if required by the council.

He shall keep the funds of the city in some bank or banks within the city, which shall pay to the city two per centum or more per annum interest on such deposits, payable quarterly, based on the average daily balance on such funds in all accounts. If no bank within the city is willing at any time to receive deposits of the Treasurer, and to pay such interest thereon, the Treasurer shall report this fact to council, which shall thereupon designate a bank or banks in which he shall deposit such funds for the time being, and until some bank in the city will receive deposits at the rate of interest so fixed.

Said bank or banks shall give bond in the penalty prescribed by council, and with sureties to be approved by council, conditioned for the prompt payment, whenever lawfully required, of all public moneys, or parts thereof, which may be deposited with them.

The salary fixed for the Treasurer, which shall not be increased or diminished during his term of office, shall be deemed to include all the services of all deputies, clerks and agents employed by him, and no additional allowance shall be made for or on account of any such service so rendered by the Treasurer. He shall give bond or bonds in an amount to be fixed by council, which bond shall be approved by council, before entering upon the discharge of any of the duties of his office, and file same with the clerk. The Treasurer shall pay all warrants or other proper orders legally drawn and presented, out of any moneys at the time in the fund on which such warrant or order is drawn, but no money shall be paid by him except as the same shall have been appropriated by the council and upon an order signed by the mayor and city clerk. If no money is in the fund with which to pay such warrant or order, the Treasurer shall endorse on the back thereof the words. "no funds," and affix the date of such endorsement, and shall preserve a record of such endorsement in his office. The Treasurer shall perform any other duties which council may from time to time prescribe and which are not inconsistent with the general scope of his duties.

DUTIES OF CITY ATTORNEY.

Sec. 32. The city attorney shall be the legal advisor of the city and all its officers in all matters arising and in which legal proceedings may be taken; he shall prosecute all suits, actions and proceedings instituted on behalf of said city and defend all suits and actions against said city, and, when requested in writing, shall give his written opinion to the mayor, council, or any standing committee thereof, upon such legal questions as may be referred to him affecting the city's interests; he shall perform such other duties as may be required. It shall be his duty to attend sessions of the police court, when requested by the mayor or police judge, and prosecute all trials therein and all appeals that are taken from such court; and for his services he shall receive such compensation as the council shall provide.

POLICE DEPARTMENT.

Sec. 33. The council shall by ordinance establish a police department, of which department the chief of police shall be in command. He shall be charged with the duty of preserving peace and good order in the city and of protecting the persons and property of the citizens. He shall have the right to stop, suppress or prevent any immoral, obscene or improper shows, theatrical performances or moving picture exhibitions. Policemen may be suspended, removed and discharged at any time by the mayor, upon his own motion or that of the chief of police, for good cause, in which event the mayor shall report such suspension, removal or discharge, together with the reason therefor, to the council at its next meeting. The council shall consider such suspension, removal or discharge and may make such order in reference thereto as it may deem wise. The council shall have the power to suspend, without pay, the chief of police, or any policemen against whom charges are preferred.

Whenever any notice is required to be given, or any summons, warrant or other process is required to be served or otherwise executed, under the provisions of this act, it shall be sufficient if such notice, summons, warrant, or other process be executed by an officer of the police department of said city in the same way or manner in which the laws of the state prescribe for executing summonses and subpoenas by state officers, unless otherwise provided by this act. The chief of police may also execute within this city any civil writ or process issued by the police judge, or any justice of the peace or court in Mineral County, and shall have all the powers conferred by law upon constables and sheriffs, but he shall not act in such capacity until he shall have first qualified before the County Court of Mineral County and given the bond required of constables.

DUTIES OF THE STREET COMMISSIONER.

Sec. 34. The street commissioner shall perform such duties as are now, or which may hereafter be imposed upon him by any ordinance of said city, and shall receive such compensation as may be fixed by council.

POWER TO CONDEMN.

Sec. 35. The council shall have the right to institute proceedings, in the name of the city, for the condemnation of real estate for streets, alleys, avenues, sewers, drains, market grounds, city hall, reservoirs, electric light plant, pipe lines, or for any other ground, within or without the city, necessary for public improvements and which the council is authorized to acquire or maintain under this act; such proceedings shall conform to the provisions of Chapter Forty-two of the Code of West Virginia, and the costs thereof shall be borne by the city, except that in contests involving a hearing in the Circuit Court, costs shall be recovered by the prevailing party.

RECALL.

Sec. 36. The holder of any electives office may be removed at any time by the electors qualified to vote for a successor of such incumbent. The procedure to effect the removal of an incumbent of an elective office shall be as follows: A petition signed by electors entitled to vote for a successor to the incumbent sought to be removed, equal in number to at least twenty per centum of the entire vote for all candidates for the office of mayor cast at the last preceding general municipal election, demanding an election of a successor of the person sought to be removed, shall be filed with the city clerk, which petition shall contain a general statement of the grounds for which the removal is sought. The signatures to the petition need not all be appended to one paper, but each signer shall add to his signature his place of residence, giving the street and number. One of the signers of each such paper shall make oath before an officer competent to administer oaths, that the statements therein made are true as he believes, and that each signature to the paper appended is the genuine signature of the person whose name it purports to be. Within ten days from the date of filing such petition, the city clerk shall examine and from the voter's register ascertain whether or not said petition is signed by the requisite number of qualified electors, and if necessary, the council shall allow him extra help for that purpose, and he shall attach to said petition his certificate showing the result of said examination. If, by the clerk's certificate, the petition is shown to be insufficient, it may be amended within ten days from the date of said certificate. The clerk shall, within ten days after such amendment, make like examination of the amended petition and if his certificate shall show the same to be insufficient, it shall be returned to the person filing the same, without prejudice, however, to the filing of a new petition to the same effect.

If the petition shall be deemed to be sufficient, the clerk shall submit the same to the council without delay. If the petition shall be found to be sufficient, the council shall order and fix a date for holding said election, not less than thirty days nor more than forty days from the date of the clerk's certificate to the council that a sufficient petition is filed.

The council shall make, or cause to be made, publication of notice and all arrangements for holding such election, and the same shall be conducted, returned and the result thereof declared in all respects as are other city elections. So far as applicable, except as otherwise herein provided, nominations hereunder shall be made without the intervention of a primary election by filing with the clerk at least ten (10) days prior to said special election, a statement of candidacy accompanied by a petition signed by electors entitled to vote at said special election, equal in number to at least ten per centum of the entire vote for all candidates for the office of mayor at the last preceding general municipal election, which said statement of candidacy and petition shall be substantially in the form set out in Section Six of this act, so far as the same is applicable, substituting the word "special" for the word "primary" in such statement and petition and stating therein that such person is a candidate for election instead of nomination.

The ballot for such special election shall be in substantially the following form:

OFFICIAL BALLOT.

Special election for the balance of the unexpires term of _____ as _____.

For _____.

(Vote for one only)

(Names of candidates)

[ ] _____

[ ] _____

(Name of present incumbent.)

Official ballot, attest:

(Signature)_____

City Clerk.

The successor of any officer so removed shall hold office during the unexpired term of his predecessor. Any person sought to be removed may be a candidate to succeed himself, and unless he requested otherwise in writing, the clerk shall place his name on the official ballot without nomination. In any such removal election, the candidate receiving the highest number of votes shall be declared elected. At such election, if some other person than the incumbent receives the highest number of votes, the incumbent shall thereupon be deemed removed from the office upon qualification of his successor. In the case the party who received the highest number of votes should

fail to qualify within ten days after receiving notification of election, the office shall be deemed vacant. If the incumbent received the highest number of votes, he shall continue in office, and those electors who signed the petition demanding such special election shall, unless it be otherwise ordered by the council, pay the costs of such election, which said costs shall be a lien against the property of all of such petitioners, collectable and enforceable in like manner and to the same extent as taxes due to the city are collected. The said method of removal shall be cumulative and additional to the methods heretofore provided by law.

INITIATIVE.

Sec. 37. Any proposed ordinance may be submitted to the council by petition signed by electors of the city equal in number to the percentage hereinafter required. The signatures, verification, authentication, inspection, certification, amendment and submission of such petition shall be the same as provided for petition under Section Thirty-six hereof.

If the petition accompanying the proposed ordinance be signed by electors equal in number to twenty per centum of the votes cast for all candidates for mayor at the last preceding general election, and contains a request that the said ordinance be submitted to a vote of the people, if not passed by the council, such council shall either:

(a) Pass such ordinance without alteration within twenty days after attachment of the clerk's certificate to the accompanying petition or,

(b) Forthwith, after the clerk shall attach to the petition accompanying such ordinance his certificate of sufficiency, the council shall call a special election, unless the general municipal election is fixed within ninety days thereafter, and at such special or general municipal election, if one is so fixed, such ordinance shall be submitted without alteration to the vote of the electors of said city. But if the petition is signed by not less than ten per centum of the electors, as above defined, then the council shall within twenty days, pass said ordinance without change, or submit the same at the next general city election occurring not more than ninety nor less than thirty days after the clerk's certificate of sufficiency is attached to said petition.

The ballot used when voting upon said ordinance, shall contain these words: "for the ordinance," and "against the ordinance," (stating the nature of the proposed ordinance.) If a majority of the qualified electors voting on the proposed ordinance shall vote in favor thereof, such ordinance shall thereupon become a valid and binding ordinance of the city; and any ordinance proposed by petition, or which shall be adopted by a vote of the people, cannot be repealed or amended except by a vote of the people. Any number of proposed

ordinances may be voted upon at the same election in accordance with the provisions of this section; but there shall not be more than one special election in any period of six months for such purpose.

The council may submit a proposition for the repeal of any such ordinance or for amendments thereto, to be voted upon at any succeeding general city election; and should such proposition so submitted receive a majority of the votes cast thereon at such election, such ordinance shall thereby be repealed or amended accordingly. Whenever any ordinance or proposition is required by this act to be submitted to the voters of the city at any election, the city clerk shall cause such ordinance or proposition to be published once in each of the newspapers published in said city; such publication to be not more than twenty nor less than five days before the submission of such proposition or ordinance to be voted on.

REFERENDUM.

Sec. 38. No ordinance or franchise passed by the council, except when otherwise required by the general laws of the state or by the provisions of this act, except an ordinance for the immediate preservation of the public peace, health or safety, which shall contain a statement of its urgency, shall go into effect before ten days from the time of its final passage, and not then unless within two days after passage, Sundays and holidays excepted, the same shall have been published in full in some newspaper published and generally circulated in said city. And if during said ten days a petition signed by electors of the city, equal in number to at least twenty per centum of the entire vote cast for all candidates for mayor at the last preceding general municipal election at which a mayor was elected, protesting against the passage of such ordinance, or franchise, be presented to the council, the said ordinance or franchise shall thereupon be suspended from going into operation, and it shall be the duty of the council to reconsider such ordinance, or franchise, and if the same is not entirely repealed, the council shall submit the ordinance, or franchise, as is provided by Sub-section (b) of Section Thirty-seven of this act, to the vote of the electors of the city, either at the general election or at a special municipal election to be called for that purpose, and such ordinance or franchise shall not go into effect or become operative unless a majority of the qualified electors voting on the same shall vote in favor thereof. Said petition shall be in all respects in accordance with the provisions of said Section Thirty-seven, except as to the percentage of signers, and be examined and certified to by the clerk in all respects as therein provided.

PETITIONS.

Sec. 39. Petitions provided for in this act shall be signed by none but legal voters of the city. Each petition shall contain, in addition to the names of the petitioners, the street and house number in which the petitioner resides, his age and length of residence in the

city. It shall also be accompanied by the affidavit of one or more legal voters of the city, stating that the signers thereof were, at the time of signing, legal voters of said city, and the number of signers at the time the affidavit was made.

ELECTION TO ADOPT OR REJECT CHARTER.

Sec. 40. But this act shall not be effective unless the same shall be first submitted to the voters within the territory embraced and described in Section Two hereof, at a special election called for the purpose and adopted by the majority of the votes cast at such election. Said special election shall be held on the first Tuesday in May, in the year One Thousand Nine Hundred and Thirteen, unless this act shall not have taken effect on that day, in which case such election shall be held on the first Tuesday after the day on which this act would go into effect but for this section. The council of the Towns of Keyser and South Keyser shall provide for circulation of printed copies of this act or publication thereof in such manner as said council deems best. The election shall be held in the election precincts at which the first primary and general election is to be held under this act, as provided in Section Three hereof, and the election officers shall be appointed for such special election and the result thereof ascertained, in the manner provided by Section Six of this act. The ballot shall be prepared under the direction of the council of the Town of Keyser and shall be headed: "Special election for ratification or rejection of a new charter for Keyser," and underneath said head shall be the words, in separate lines, "for new charter," and "against new charter." Any voter desiring to vote for adoption of this act shall strike out the words "against new charter," and any voter desiring to vote for rejection of this act, shall strike out the words "for new charter." And in the event that this act shall not be in effect on the second Tuesday preceding the first Tuesday after the first Monday in June, One Thousand Nine Hundred and Thirteen, the first primary election hereunder shall be held on the second Tuesday of June, and the first general election shall be held on the fourth Tuesday of June, One Thousand Nine Hundred and Thirteen.

ACTS REPEALED.

Sec. 41. All acts in conflict or inconsistent with this act, are to the extent of any such conflict, hereby repealed, but this act shall not be construed to repeal, change or modify any previous acts not inconsistent with this act, or to take away any powers heretofore conferred upon the City of Keyser, or upon the mayor or council, or any other of the officers thereof, conferred by general law, except so far as the same may be inconsistent with the powers hereby conferred.

AN ORDINANCE PROVIDING FOR THE ANNEXATION OF ADDITIONAL TERRITORY TO THE PRESENT CORPORATE LIMITS OF THE CITY OF KEYSER, WEST VIRGINIA, AND CHANGING THE PRESENT CORPORATE LIMITS SO AS TO INCLUDE THE ADDITIONAL TERRITORY ANNEXED.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KEYSER, WEST VIRGINIA:

WHEREAS, on the 17th day of October, 1971, sixty percent (60%) of the qualified voters and sixty percent (60%) of all of the freeholders, whether residing or having a place of business therein, of the additional territory hereinafter described and by this Ordinance provided to be annexed to the present corporate limits of the said City, have filed their respective petitions, accompanied by survey, with the Council of the City of Keyser, petitioning for the annexation into the City of Keyser of the additional territory hereinafter described, which additional territory the Council finds does conform with the provisions of Chapter 8, Article 2, Section 1, of the West Virginia Code, as amended; and,

WHEREAS, the Council of the City of Keyser has enumerated and verified the total number of eligible petitioners, in each category, from the additional territory, and as a result thereof has found and determined that requisite number of eligible qualified voters and the requisite number of freeholders of such additional territory, whether they reside or have a place of business therein or not, has duly petitioned the Council of said City as aforesaid, and the Council being satisfied that the additional territory conforms to the requirements of said Chapter 8, Article 2, Section 1, above, and that the petition is sufficient in every respect, has caused such fact to be entered upon its journal, and, being so satisfied, will upon the adoption of this Ordinance certify the same to the County Court of Mineral County, West Virginia, that being the County in which the territory of the City of Keyser, including the annexed territory, is located.

Now, therefore, be it ordered as follows: That from and after the date of the entry of an order providing therefor by the County Court of Mineral County, West Virginia, pursuant to the above mentioned certification to said Court by the Council of said City, the metes and bounds of said City of Keyser shall be extended and shall include the additional territory to be annexed as provided in the description as hereinafter set forth:

METES AND BOUNDS DESCRIPTION OF TERRITORY ANNEXED TO THE CITY OF KEYSER, WEST VIRGINIA

Beginning at a point on the West side of U. S. Route 220, said point being the intersection of the present Corporate line with the said Route 220 and being located in the left wheel tract of Reynolds Drive; thence with the West right of way limits of Route 220 and 40.0 feet from the centerline thereof, S. 52 deg. 23' W. 1202.75 to the intersection of the South side of Southern Street with the said Route 220; thence with the South side of Southern Street, N. 31 deg. 05' W. 1880.0 feet to a point in line with the West side of Beacon Street, being the point that Southern Street reduces from a 50.0 foot street to a 40.0 foot street; thence N. 58 deg. 55' E. 10.0 feet; thence, still with the South side of Southern Street, N. 31 deg. 05' W. 120.0 feet to a point in the range with the back line of the lots on the West side of Beacon Street; thence with said line, crossing Southern Street at this point, N. 58 deg. 55' E. 665.0 feet to a point on the South side of Baker Street; thence with the South side of baker Street, S. 31 deg. 05' E. 55.0 feet to a point in range with the back line of the lots on the West side of that part of Beacon Street that lies North of Baker Street; thence with said back line N. 48 deg. 14' E. 180.0 feet to the point of intersection with the present corporate line; thence with said line, S. 40 deg. 30' E. 1874.0 feet to the place of the BEGINNING, containing 45.38 acres, more or less. (The last mentioned call is M.B. 1903 and the other calls are M.B. from State Road Commission Plans for U. S. Route No. 220.)

DESCRIPTION OF CITY OF KEYSER, INCLUDING THE ADDITIONAL TERRITORY TO BE ANNEXED

BEGINNING at a large double poplar on the northwest side of, and at the mouth of White's Run where it empties into the North Branch of the Potomac River, standing N. 35 deg. 45' E. 238 feet from the north end of the Baltimore and Ohio Railroad culvert over said run, and running thence up the river with and near the state line of West Virginia and Maryland, N. 12 deg. 462 feet to a sugar at a ben of the river; N. 46 deg. 37' W. 600 feet to a large black oak; N. 36 deg. W. 225 feet to a large black oak, with double ash pointers; N. 61 deg. 15' W. 241.5 feet to a large maple, with sassafras and water birch pointers on the bank of the main branch of the river; S. 86 deg. 23' W. 589 feet to a double elm; thence, leaving the river, S. 36 deg. 43' W. 516 feet passing main tracks of Baltimore and Ohio Railroad, at 266 feet, their inspector's house at 406 feet, the Piedmont road at 466 feet, leaving said railroad company's land, to a stone on a hillside on the W. A. Liller lands; thence, along said hillside, S. 8 deg. E. 1186 feet to a stone in a hollow in Liller's orchard near a spring, standing S. 50 deg. 30' W. 64 feet from a pointer marked ash tree, and 140 feet from and at right angles to the southerly side of Piedmont Street; thence leaving the former Corporate Limits at the end of the seventh line thereof, S. 32 deg. 52' W. 4006.00 feet to a point in the Hoover Hollow Road, State Route 46, near a farm road entrance

near the Soil Conservation service Dam; thence, S. 40 deg. 30' E. 2285.9 feet to a point, the same being where the present Corporate line intersects with the back line of the lots on the West side of that part of Beacon Street that lies North of Baker Street; thence, S. 48 deg. 14' W. 180.0 feet to the point on the South side of Baker Street; thence with the South side of Baker Street, N. 31 deg. 05' W. 55.0 feet to a point on the South side of Baker Street, and being the point of intersection of the back line of the lots on the West side of that part of Beacon Street which lies South of Baker Street; thence with the back line of the lits on the West side of that part of Beacon Street with lies South of Baker Street, S. 58 deg. 55' W. 665.0 feet crossing Southern Street to a point in the South side of Southern Street; thence with the southern limits of Southern Street, S. 31 deg. 05' W. 120.0 feet to a point where Southern Street increases from a 40.0 foot street to a 50.0 foot street; thence S. 58 deg. 55' W. 10.0 feet to a point on the Southerly side of Southern Street where the same is 50.0 feet in width; thence with the South side of Southern Street, S. 31 deg. 05' E. 1880.0 feet to the intersection of the South side of Southern Street with the West right of way limits of U. S. Route 220; thence with the said West right of way limits of said U. S. Route 220, and 40.0 feet from the centerline thereof, N. 52 deg. 23' E. 1202.75 feet to a point in the West side of said U.S. Route 220, said point being the intersection of the present Corporate line and the West side of U. S. Route 220, and located in the left wheel tract of Reynolds Drive; thence with the present Corporate line, S. 40 deg. 30' E. 1026.8 feet to an iron pipe on the east side of New Creek and just North of the bridge to the Harley O. Staggers farm, the end of the ninth course of the old Corporate line (Survey 1960) thence down the east bank of New Creek (bearings and distances corrected from the former survey of 1960) N. 40 deg. 6' E. 1003.00 feet to an iron pipe in the former corporate limits and downstream from the City Water Supply Dam, the said pipe being at the end of 1293 feet on fourteenth line of the original Corporate Limits; thence with the remainder of the said fourteenth line. S. 48 deg. 46' E. 801 feet to the end thereof, thence with the former corporate limits, along the mountain leaving said lands at 1435 feet crossing J. R. Carskadon and Taylor land, N. 50 deg. 30' E. 4375 feet to two maples, a locust and stone on the Joseph Arnold land, at the northeast end of a bend of the mountain; thence, along the side of the mountain, passing H. Vernon's corner at 930 feet, S. 69 deg. 12' E. 1400 feet to a set stone on a hillside with two chestnut oak pointers, south of Arza Furbee's house; thence, N. 77 deg. 30' #. 857 feet crossing the Headsville Road and the Twin Mountain and Potomac Railroad at the end of this line to a black walnut stump at the west edge of Limestone Run; thence, down along the run, N. 7 deg. 55' W. 123 feet, N. 8 deg. 50' E. 277.5 feet to a point at the edge of the water; thence, down and with the same passing under the country road bridge and the Baltimore and Ohio Railroad, through a culvert, N. 37 deg. 07' W. 256 feet to the mouth of said run where it empties into the North Branch of the Potomac River at the Upper side of "Lovers Leap", at the State line of West Virginia and Maryland; thence, up and with said state line, the direct lines

being S. 70 deg. 10' W. 380 feet; N. 58 deg. W. 486 feet; N. 30 deg. 293 feet crossing the mouth of New Creek at 148 feet; N. 32 deg. 46' W. 250 feet; N. 34 deg. 30' W. 650 feet; N. 6. deg. W. 708 feet; N. 38 deg. 17' W. 196 feet; N. 60 deg. 23' W. 169.2 feet passing the Western Maryland Railroad bridge at 26 feet to the center of the south end of the Keyser and McCoole Highway bridge; N. 59 deg. 30' W. 1188.6 feet; N. 686 feet to a large sycamore tree; N. 63 deg. W. 1837 feet to a large poplar thence, N. 43 deg. 45' W. 666 feet to the BEGINNING.

It is further ordered that the Clerk of the City of Keyser shall upon the adoption of this Ordinance certify to the County Court of Mineral County, West Virginia, a certificate of the Council of the City of Keyser showing the results of the petitions above referred to and filed with the said council and showing the metes and bounds of the City of Keyser and the boundaries as changed on account of the annexation of the additional territory hereinabove described.

Adopted the 17th day of November, 1971.

CODIFIED ORDINANCES OF KEYSER

CHAPTER ONE
Article 1 General Provisions and Definitions
Article 2 Council

CHATPER 1

ARTICLE 1

GENERAL PROVISIONS AND DEFINITIONS

IN GENERAL

For state law as to the authority to codify ordinances, see W. Va. Code, Sec. 8-11-4 (b).

SECTION.

1-1-1. How Code designated and cited.
1-1-2. Provisions considered as continuations of existing ordinances.
1-1-3. Severability of parts of Code.
1-1-4. Catchlines of sections.
1-1-5. Definitions and rules of construction.
1-1-6. Effect of repeal or expiration of ordinance.
1-1-7. Official copy of Code to be kept by city clerk.
1-1-8. Copy of Code to be kept at police headquarters.
1-1-9. Sale of Code.
1-1-10. General penalty; continuing violations.

1-1-1. How Code designated and cited. The ordinances embraced in this and the following chapters and sections shall constitute and be designated "The Code of the City of Keyser, West Virginia," and may be so cited. Such ordinances may also be cited as "Keyser City Code".

1-1-2. Provisions considered as continuations of existing ordinances. The provisions appearing in this Code, so far as they are the same as those adopted subsequent to the incorporation of the City of Keyser by an Act of the West Virginia Legislature on May 6, 1913, and included herein, shall be considered as continuations thereof and not as new enactments.

1-1-3. Severability of parts of Code. It is hereby declared to be the intention of the council that the sections, paragraphs, sentences, clauses and phrases of this Code are severable, and if any phrase, clause, sentence, paragraph or section of this Code shall be declared unconstitutional or otherwise invalid by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Code.

1-1-4. Catchlines of sections. The catchlines of the several sections of this Code printed in boldface type are intended as mere catchwords to indicate the contents of the sections and shall not be deemed or taken to be titled of such sections, nor as any part of the sections, nor, unless expressly so provided, shall they be so deemed when any of such sections, including the catchlines, are amended or reenacted.

1-1-5. Definitions and rules of construction. In the construction of this Code and of all ordinances, the following definitions and rules of construction shall be observed, unless inconsistent with the manifest intent of the council or the context clearly requires otherwise:

And, or. The word "and" may be read "or" and the word "or" may be read "and" if the sense requires it.

Bond. When a bond is required, an undertaking in writing shall be sufficient.

Charter. The words "the Charter" shall mean the Charter of the City of Keyser, as amended.

City. The words "the city" or "this city" shall mean the City of Keyser, in the County of Mineral, and the State of West Virginia, except as otherwise provided.

Computation of time. The time within which an act is to be done shall be computed by excluding the first and including the last day; and if the last day be Sunday or a legal holiday, that shall be excluded.

Council. The word "council" shall be construed to mean "the council of the City of Keyser".

Gender. The word importing the masculine gender only shall extend and be applied to females and to firms, partnerships and corporations as well as to males.

Health officer. The term "health officer" shall be taken to mean the county health officer of Mineral County or his duly authorized agent, or the city health officer of the City of Keyser, whoever is applicable.

Joint authority. All words giving a joint authority to three (3) or more persons or officers shall be construed as giving such authority to a majority of such persons or officers.

Month. The word "month" shall mean a calendar month.

Number. A word importing the singular number only may extend and be applied to several persons or things as well as to one person

or thing; a word importing the plural number only may extend and be applied to one person or thing, as well as to several persons or things.

Oath. The word "oath" shall be construed to include an affirmation in all cases in which, by law, an affirmation may be substituted for an oath, and in such cases the words "swear" and "sworn" shall be equivalent to the words "affirm" and "affirmed".

Officers and employees. Whenever in this Code or in any ordinance or resolution of the council prescribing the duties of any officer or employee of the city, or otherwise referring to such officer or employee, the name of any one of the city departments is used, or the superintendent of any such department is referred to, the same shall be interpreted as meaning the particular department, or the superintendent of the particular department, to whose charge or under whose jurisdiction the particular officer or employee mentioned has been placed or assigned by ordinance or resolution.

Owner. The word "owner", applied to a building or land, shall include any part owner, joint owner, tenant in common, joint tenant or tenant by the entirety of the whole or a part of such building or land.

Person. The word "person" shall extend and be applied to firms, partnerships, associations, bodies politic and corporate, or any other group acting as a unit, as well as to individuals.

Personal property includes every species of property except real property, as herein defined.

Preceding, following. The words "preceding" and "following" shall mean next before and next after, respectively.

Property. The word "property" shall include real and personal property.

Real property shall include lands, tenements and hereditaments.

Sidewalk. The word "sidewalk" shall mean any portion of a street between the curbline, or the lateral lines of a roadway where there is no curb, and the adjacent property line intended for the use of pedestrians.

Signatures or subscription includes a mark when the person cannot write.

State. The words "the state" or "this state" shall mean the State of West Virginia.

Street. The word "street" shall include avenues, boulevards, highways, roads, alleys, lanes, viaducts, bridges and the approaches thereto and all other public thoroughfares in the city, and shall mean

the entire width thereof between abutting property lines; it shall be construed to include a sidewalk or footpath, unless the contrary is expressed or unless such construction would be inconsistent with the manifest intent of the council.

Tenant or occupant. The word "tenant" or "occupant," applied to a building or land, shall include any person who occupies the whole or a part of such building or land, whether alone or with others.

Writing. The words "writing" and "written" shall include printing and any other mode of representing words and letters.

Year. The word "year" shall mean a calendar year, and the word "year" alone shall be equivalent to the expression "year of our Lord".

For state law as to definitions generally, see W. Va Code, Sections 2-2-10, 8-1-2.

1-1-6. Effect of repeal or expiration of ordinance.

(a) When a law which has repealed another is itself repealed, the former law shall not be revived without express words for that purpose. (WVaC 2-2-9)

(b) The repeal of a law, or its expiration by virtue of any provision contained therein, shall not affect any offense committed, or penalty or punishment incurred, before the repeal took effect or the law expired, save only that the proceedings thereafter shall conform as far as practicable to the laws in force at the time such proceedings take place, unless otherwise specially provided; and that if any penalty or punishment be mitigated by the new law, such new law may, with the consent of the party affected thereby, be applied to any judgment pronounced after it has taken effect. (WVaC 2-2-8)

(c) The repeal by any provision of the Codified Ordinances of an ordinance validating previous acts, contracts or transactions shall not affect the validity of such acts, contracts or transactions, but the same shall remain as valid as if there had been no such repeal, but no further. (WVaC 2-2-11)

1-1-7. Official copy of Code to be kept by city clerk. One copy of this Code shall be certified by the city clerk as correct and official and shall be placed and kept permanently on file in the office of the city clerk. It shall be unlawful for any person to remove such copy of the Code from the office of the city clerk.

1-1-8. Copy of Code to be kept at police headquarters. One copy of this Code shall be kept permanently on file, for reference, at the police headquarters. It shall be unlawful for any person to remove such copy of the Code from the police headquarters.

1-1-9. Sale of Code. The city clerk is hereby authorized to sell any copies of this Code, not needed for the use of the city officers, at such price as may be fixed by the council.

1-1-10. General penalty; continuing violations. (a) Whenever in this Code or in any other ordinance of the city any act is prohibited or is made or declared to be unlawful or an offense or a misdemeanor, or wherever in such Code or ordinance the doing of any act is required or the failure to do any act is declared to be unlawful or an offense or misdemeanor, and no specific penalty is provided therefor, the violation of any such provision of this Code or of any such ordinance is hereby made a misdemeanor, and the same shall be punished by a fine of not more than one hundred dollars ($100.00), or by imprisonment not exceeding thirty (30) days, or by both such fine and imprisonment at the discretion of the court; provided that, no fine shall be less than that specified in Chapter 2. Each day any violation of this Code or any such ordinance shall continue shall constitute a separate offense.

(b) All persons who plead guilty or who are found guilty of a misdemeanor in violation of any of the provisions of the Keyser City Code shall be subject to a jail sentence of from zero to thirty (30) days in the Keyser City Jail, said jail sentence to be in addition to any other penalties provided by the Keyser City Code. This section is to supersede and take precedence over any Keyser City Ordinances limiting penalties for misdemeanors to fines only or to fines and jail sentences of less than thirty (30) days.

CHAPTER 1

ARTICLE 2

COUNCIL

CROSS REFERENCE
(Open government proceedings - see W.Va. Code 29B-1 et seq.)

SECTIONS.

1-2-1. Regular meetings.
1-2-2. Annual salary.
1-2-3. Special meetings.
1-2-4. Notice.
1-2-5. Members not to withdraw.
1-2-6. Quorum.
1-2-7. Conduct of members.
1-2-8. Recognition of members.
1-2-9. Limitation on number and length of speeches.
1-2-10. Calling members to order.
1-2-11. Nonmembers addressing Council.
1-2-12. Robert's Rules of Order.

1-2-1. Regular meetings. Regular meetings of Council shall be held on the first and third Wednesdays of each month at 1:00 p.m., Eastern Standard Time or Daylight Savings Time, whichever is in effect, if not a legal holiday, and if a legal holiday, on the next succeeding business day which is not a legal holiday.

1-2-2. Annual salary. The annual salary of members of Council on and after July 1, 1984, shall be _____ dollars ($_____) payable in equal monthly installments of _____ _____ dollars ($_____) each.

1-2-3. Special meetings. Special meeting of Council may be called by the Mayor or by a majority of the elected members of Council.

1-2-4. Notice. (a) No notice shall be required of the regular meetings of Council.

(b) Notice of special meetings of Council shall be given by the Clerk by mailing a written notice to each member and the Mayor at least three days before the time of the meeting in the United States mail addressed to the last known address of each. Notice of such meeting shall state the day, time and place of such special meeting.

(c) Notice of special meeting of Council may be dispensed with if a majority of the members of Council attend in person and vote

affirmatively to waive the giving of the written notice as above provided, which waiver shall be binding on all members, present or absent.

(d) Council shall promulgate rules by which the time and place of all regularly scheduled meetings and the time, place and purpose of all special meetings are made available, in advance, to the public and news media, except in the event of an emergency requiring immediate official action.

1-2-5. Members not to withdraw. After a member of Council has been recorded as present at any meeting, he shall not, without permission of the chair, absent himself from such meeting until adjournment.

1-2-6. Quorum. A majority of Council elected shall be necessary to constitute a quorum for the transaction of business. If at any meeting of Council there shall be less than a quorum present, any Councilman may adjourn such meeting from time to time and place to place until a quorum is present.

1-2-7. Conduct of members. Every member of Council shall confine himself to the question before Council and avoid personal or indecorous language. No member shall interrupt another while speaking, except to make a point of order, the point to be briefly stated to the presiding officer. No member shall, while Council is sitting, interrupt or hinder its business by standing, moving about, talking, expressing approval or disapproval of any of the proceedings or by any conduct tending or disorder or confusion.

1-2-8. Recognition of members. When two members of Council request recognition at the same time, the presiding officer shall name the one to speak. In all cases, the member of Council first requesting recognition shall speak first.

1-2-9. Limitation on number and length of speeches. No member of Council shall speak more than once on the same question until every member choosing to speak shall have done so, nor more than twice, nor for a longer time than fifteen minutes on any question, without permission of Council.

1-2-10. Calling members to order. If, in speaking, any member of Council transgress the rules of Council, the presiding officer shall call him to order. If there is no appeal, the decision of the chair shall be submitted to. If the decision of the chair is in favor of the member called to order, he may proceed; if otherwise, he shall not proceed, except by leave of Council.

1-2-11. Nonmembers addressing council. No person who is not a member of Council shall orally address it, until leave to do so has been applied for, through a member of Council, and granted by it, or

until invited to do so by the presiding officer. The presiding officer shall request of the person desiring to speak his name, address and the subject to be discussed.

1-2-12. Robert's rules of order. Rules of procedure not covered by this article shall be in accordance with Robert's Rules of Order.

COPY

City Of Keyser
111 North Davis Street
Keyser, W.V. 26726
304-788-1511

The Friendliest City in the USA

OATH OF OFFICE

I, Roger C. Newlin, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of Mayor of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

Taken, subscribed and sworn to before me this 28th day of June, 19 2000.

Phil Jadon

COPY

City Of Keyser
111 North Davis Street
~~P.O. Box 26~~
Keyser, W.V. 26726
304-788-1511

The Friendliest City in the USA

OATH OF OFFICE

I, *Sally Burnside*, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of *Councilperson* of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

Sally Burnside

Taken, subscribed and sworn to before me this *28th* day of *June*, 19 *2000*.

Judge Phil Jordan

COPY

City Of Keyser
111 North Davis Street
Keyser, W.V. 26726
304-788-1511

The Friendliest City in the USA

OATH OF OFFICE

I, Marques Rice, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of Councilperson of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

Marques Rice

Taken, subscribed and sworn to before me this 28th day of June, 19 2000.

Judge Phillip Jordan

COPY

City Of Keyser
111 North Davis Street
Keyser, W.V. 26726
304-788-1511

The Friendliest City in the USA

OATH OF OFFICE

I, James O. Robinson, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of Councilperson of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

Jas O Robinson

Taken, subscribed and sworn to before me this 28th day of June, 19 2000.

Jack Phil Jordan

COPY
FILE COPY

ORIGINAL

City Of Keyser
111 North Davis Street
Keyser, W.V. 26726
304-788-1511

The Friendliest City in the USA

OATH OF OFFICE

I, N. EDWARD TAYLOR, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of CITY ADMINISTRATOR of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

N. Edward Taylor

Taken, subscribed and sworn to before me this 28th day of DECEMBER, 1999

Mayor
City of Keyser

City Of Keyser
111 North Davis Street
~~P.O. Box 70~~
Keyser, W.V. 26726
304-788-1511

COPY

The Friendliest City in the USA

OATH OF OFFICE

I, Mark Geary, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of member of Sanitary Board of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

Mark Geary

Taken, subscribed and sworn to before me this 28th day of October, 19 99.

Mary Riggleman

City Of Keyser
111 North Davis Street
Keyser, W.V. 26726
304-788-1511

COPY

The Friendliest City in the USA

OATH OF OFFICE

I, Thurman W Smith, do hereby solemnly swear that I will support the Constitution of the State of West Virginia, and will faithfully and impartially discharge the duties of Member of Sanitary Board of the City of Keyser, to the best of my skill and judgement. That I will not administer my said position with the aim to benefit any political party and neither will I during my term of employment, become pecuniarily interested directly or indirectly in any contract with the City, or the purchase of supplies thereof.

SO HELP ME GOD.

Thurman W Smith

Taken, subscribed and sworn to before me this 28th day of October, 19 99.

Mary Riggleman

ORDINANCE NO. 253

ORDINANCE CREATING A SANITARY BOARD FOR THE CITY OF KEYSER

WHEREAS, the City Council previously enacted Ordinance No. 238, as supplemented and amended from time to time, providing for the creation of the Keyser Utility Board; and

WHEREAS, in enacting such Ordinance, the City Council contemplated that either (i) combined waterworks and sewerage system refunding revenue bonds would be issued in order to pay or defease all outstanding water revenue bonds and sewer revenue bonds of the City, or (ii) the City would obtain the consent of the existing holders of the City's outstanding water revenue bonds and sewer revenue bonds to the substitution of the City's combined waterworks sewerage system revenue bonds for such outstanding water revenue bonds and sewer revenue bonds; and

WHEREAS, the City has not issued combined waterworks and sewerage system refunding revenue bonds to pay or defease all of the City's outstanding water revenue bonds and sewer revenue bonds nor has the City obtained the consent of all the existing holders of the City's outstanding water revenue bonds and sewer revenue bonds to the substitution of the City's combined waterworks and sewerage system refunding revenue bonds for such outstanding water revenue bonds and sewer revenue bonds; and

WHEREAS, said Ordinance No. 238, as amended, provided that the respective water and sewer systems would be operated in accordance with the respective ordinances approving the issuance of various series of revenue bonds with respect to such separate water and sewer systems; and

WHEREAS, the City desires to proceed with the construction of certain betterments and improvements to its sewer system and the financing thereof with revenue bonds payable from the separate sewer system of the City; and

WHEREAS, the City has been advised by its city attorney that, in order to proceed with such sewer project and the financing thereof as a separate sewer system, a Sanitary Board must be created under Chapter 16, Article 13 of the West Virginia Code and the sewer system must otherwise be operated in accordance with Chapter 16, Article 13 of the West Virginia Code.

WHEREAS, the City of Keyser does hereby designate its water and sewage systems to be separate systems and creates a Sanitary Board in connection with the issuance of sewer revenue bonds and in connection with the control, administration, operation and maintenance of such a sewage system by a municipal corporation:

NOW THEREFORE, THE CITY OF KEYSER ORDAINS:

Section 1: Creation of Sanitary Board.

The City of Keyser does hereby create and establish a Sanitary Board, with all powers and duties as provided in and pursuant to Chapter 16, Article 13, Section 1 et. seq. and Chapter 8

of the West Virginia Code.

Section 2: Composition; Chairman; Appointment of Members.

The Sanitary Board shall be composed of the Mayor of the City of Keyser, who shall serve as Chairman, and two persons appointed by the City Council. One of the two persons appointed to the Sanitary Board shall, during the construction period of any sewage facilities be a registered professional engineer. The engineer member of the Board need not be a resident of the City of Keyser. After the construction of the system has been completed, the engineer may be succeeded by an individual not a registered professional engineer. With the exception of the requirement for a registered professional engineer during those periods of construction as aforesaid, all other members of the Sanitary Board shall be citizens of the City of Keyser. Said appointees shall originally be appointed for terms of two and three years respectively, and upon the expiration of each such term and each succeeding term, appointment of a successor shall be made in like manner for a term of three years. Vacancies shall be filled for an unexpired term in the same manner as the original appointment. No officer or employee of the City of Keyser, whether holding a paid or unpaid office, shall be eligible to appointment on the Sanitary Board until at least one year after the expiration of the term of his public office.

Section 3: Organizational Meetings: Vice Chairman, Secretary, Treasurer; Official Bonds.

As soon as may be practicable following the appointment of a new member of the Sanitary Board, the Board shall hold an organizational meeting and choose a Vice-Chairman from among its members, and a Secretary and Treasurer. The position of Secretary and Treasurer may be held by the same person and need not be a Board member. Such officers shall hold office at the will of the Board. No bond shall be required of the Board members, but the treasurer, whether a member of the Board or not, shall give bond in the penalty of $2,000.00, or such higher amount as required by applicable law, for the proper application of all money received by him as treasurer of the Board or as otherwise conditioned according to law.

Section 4: Compensation and Expenses of Board Members.

Each member of the Sanitary Board shall receive as compensation for their services not less than $50.00 per month, payable monthly, and in addition, shall be reimbursed for any and all expenses incurred for the performance of their duties under Order of the Board. Funding for compensation to members of the Sanitary Board shall be in accordance with those provisions hereinafter stated. The City Council shall fix the reasonable compensation of the secretary and treasurer in its discretion. There shall be no liability upon the City of Keyser, for any salary or expenses so incurred.

Section 5: Powers, Duties, Funding and Limitations.

A. The Sanitary Board shall have the supervision and control of the construction, acquisition, improvement, equipment, custody, operation and maintenance of any such works for the collection, treatment or disposal of sewage and the collection of revenues therefrom for the service rendered thereby, which are now owned or may hereafter be acquired by the City of Keyser.

B. The Sanitary Board shall have the power and authority to take all steps and proceedings to make and enter into all contracts or agreements necessary or incidental to the performance of its duties and the execution of the powers granted to the Sanitary Board by this Ordinance and under and by virtue of Article 13 of Chapter 16 of the West Virginia Code, as amended, subject to all restrictions and limitations contained therein as the same now exists or as may hereafter be amended.

C. The Sanitary Board shall have power to establish by-laws, rules and regulations for its own government.

D. The Sanitary Board may employ engineers, architects, inspectors, superintendents, manager, collectors, attorneys and other personnel as it in its judgment may be necessary in the execution of its powers and duties and may fix the compensation of all of whom shall do work as the Board may employ and direct.

E. All such compensation and all expenses incurred in carrying out the provisions of this Ordinance and Article 13, of Chapter 16 of the West Virginia Code shall be paid solely from the funds generated as revenue from the operation of the sewage system and from funding received by means of bonds, loans, grants or advances as provided under the authority given to the Board so as to bind the Board or the City beyond the extent to which money shall be or may be provided under the authority of said Article 13 of the West Virginia Code. No contract or agreement with any contractor or contractors for labor and/or material exceeding in amount the sum of $5,000.00 shall be made without advertising for bids, which bids shall be publicly opened and award made to the best bidder, with power of the Board to reject any or all bids. The Sanitary Board may declare an emergency situation in the event of collector line breaks or vital treatment plant equipment failure and the Board shall be exempted from competitive bidding requirements and permitted to enter into direct purchase agreements or contracts for such expenses.

F. After the construction, installation and completion of the sewer works, or the acquisition thereof, the Board shall operate, manage and control the same and may order and complete any extensions, betterments, and improvements of and to the works that the Board may deem expedient, if funds therefore be available or are made available as provided under Article 13 of Chapter 16 of the West Virginia Code as amended, and shall establish rules and regulations for the use and operation of the works, and of other sewers and drains connected therewith so far as they may affect the operation of such works and do all things necessary or expedient for the successful operation thereof.

Section 6: Duties of Board to Restore Property Damaged by its Activity.

All public ways or public works damaged or destroyed by the Board in carrying out its authority under this Ordinance shall be restored or repaired by the Board and placed in their original condition, as nearly as practicable, if requested to do so by proper authority, out of the funds as provided herein.

Section 7: Publication of Financial Statement.

The Sanitary Board shall prepare a financial statement and cause it to be published as a Class I legal advertisement in compliance with the provisions of Article 3, Chapter 59 of the Code of West Virginia, as amended, and the publication area for such publication shall be the sanitary district serviced by the sewage system. Such statement shall contain an itemized account of the receipts and expenditures of the Board during the previous fiscal year, showing the source from which all money was derived, and the name of the person to whom an order was issued, together with the amount of such order and why such order was issued, arranging the same under distinct heads and including all money received and expended from the sale of bonds, and also a specific statement of the debts of such Board, showing the purpose for which any debt was contracted, the amount of money in all funds at the end of the preceding year, and the amount of uncollected service charges. Such statement shall be prepared and published by the Board as soon as practicable after the close of the fiscal year. The statement shall be sworn to by the Chairman, Secretary and Treasurer of the Board.

Section 8: Procedure for Disbursement of Funds.

All funds under the supervision of the Sanitary Board shall be disbursed as disbursements are required by check drawn upon the proper fund or account, and such checks shall be properly signed by the authorized officer or agent of the Board. All such disbursements shall be approved by the Board.

Section 9: Bonding of Employees Who Handle Money.

The Sanitary Board may from time to time, in its discretion, require any of its employees to furnish a good and suitable indemnity bond, with a recognized and reputable surety conditioned upon the faithful discharge of their duties as such and to deliver up and pay over all money as provided by law. The Board may require all persons who collect or otherwise handle funds of the Board to furnish a good and proper bond with a recognized and reputable corporate surety conditioned upon the faithful performance of their duties and for the proper handling and care of said funds in their hands. Such bonds shall be in an amount equal to the sum of money which might at any one time be in the hands of such person or persons as may be determined by the Board.

Section 10: Initial Members

In addition to the Mayor, the following persons are hereby appointed as the initial members of the Sanitary Board:

Mark Geary, a registered professional engineer, for a term of two years and

Thurman Smith, a citizen of the City of Keyser, for a term of three years.

Section 11: Authority.

This Ordinance shall be governed by Chapter 16, Article 13, Section 1, et. seq. and by Chapter 8 of the West Virginia Code and any amendments thereto by act of the West Virginia State Legislature shall amend and govern this Ordinance. The powers of the Sanitary Board shall not be limited by the provisions of this Ordinance, but shall be extended all those rights, duties, privileges and powers as conferred under Chapter 16, Article 13, Section 1, et. seq. of the

West Virginia Code.

Section 12: Conflicts Clause and Intent of Ordinance.

To the extent "Ordinance No. 238 Amended" (Creation of the Utility Board) is in conflict with this Ordinance (i.e.: The designation of a combined water and sewer system) this Ordinance shall supersede and govern any such provisions in conflict therewith until amendment or repeal of this Ordinance by the Keyser City Council. It is the further intent of this Ordinance that the Utility Board continue to operate, control and govern the waterworks system for the City of Keyser pursuant to those powers, duties and privileges as conferred to the Utility Board under "Ordinance No. 238 Amended." The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance, which can be given effect without such invalid part or parts.

This Ordinance shall be effective from the date of its enactment.

This Ordinance is read this 21st day of October, 1999 as a first reading hereof.

This Ordinance is read and enacted on the 28th day of October, 1999, after a second reading hereof.

This Ordinance passed by a vote of 3 yea, 0 nay, and 0 abstained.

THE CITY OF KEYSER
BY: ROGER C. NEWLIN, MAYOR

R C Newlin

Seal:

Attest:

Mary Riggleman
City Administrator

PETITION

The Sanitary Board of the City of Keyser, on motion duly passed at its meeting on the 3rd day of January, 2001, respectfully petitions the Council of the City of Keyser to enact an ordinance directing that sewer revenue bonds of the City of Keyser be issued pursuant to the provisions of Chapter 16, Article 13 of the West Virginia Code, in an amount not to exceed Five Hundred Twenty-Three Thousand Seventy-Two Dollars ($523,072.00) for the purpose of financing the costs of certain necessary betterments and improvements to the City's sewer system.

All is required by Chapter 16, Article 13 of the West Virginia Code.

Directed this 3rd day of January, 2001.

SANITARY BOARD OF THE CITY OF KEYSER

By: _____
Its: Mayor and Chairman

GBB.GBB.0075967

ORDINANCE NO. 251

INTRODUCED IN COUNCIL
January 14, 1999

PASSED BY COUNCIL
January 28, 1999

MOTION BY
Councilwoman Sally Burnside

SECONDED BY
Councilman Donald P. Heare

VOTE - YEA
3

VOTE - NAY
0

VOTE - ABSTAINED
0

ORDINANCE EFFECTIVE
January 28, 1999

AN ORDINANCE ESTABLISHING RATES, RULES AND REGULATIONS FOR FURNISHING SEWERAGE AND SEWER DISPOSAL SERVICE FOR THE CITY OF KEYSER AND AREAS SERVED THEREBY IN MINERAL COUNTY, WEST VIRGINIA, AND REPLACING ALL PRIOR SEWERAGE AND SEWER DISPOSAL RATES, RULES AND REGULATIONS WHICH ARE INCONSISTENT HEREWITH.

WHEREAS, the City of Keyser is empowered by West Virginia Code Section 8-20-10 & Section 24-2-4b to institute reasonable rates and charges for its sanitary sewerage services.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KEYSER TO ESTABLISH THE RATES, RULES AND REGULATIONS FOR FURNISHING SEWERAGE AND SEWER DISPOSAL SERVICES WHICH SHALL BE AS FOLLOWS:

ARTICLE ONE
PURPOSE AND SCOPE

There shall be established and maintained just and equitable rates or charges for the use of the wastewater (sewerage) collection and treatment system and the services (hereinafter referred to as the "System") rendered by the Utility Board of the City of Keyser (hereinafter referred to as the "Utility Board"), to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses such works by or through any part of the system of the City, or that in any way uses or is served by such system. Such rates or charges shall be sufficient in each year for the payment of proper and reasonable expense of operation, repair, replacement and maintenance of the system, and for the payment of the sums required by Bond covenants to the Utility Board or Municipal Bond Commission or other dedicated accounts. No such rates or charges shall be established until after a public hearing at which all the users of the system and other interested parties shall have had an opportunity to be heard concerning the proposed rates and charges.

The Utility Board of the City of Keyser shall cause all rates and charges to be billed and collected on a just and equitable basis. The Utility Board shall cause to be maintained a record of all charges and disbursements in accordance with the Code of the State of West Virginia, Rules and Regulations of the West Virginia Public Service Commission and generally accepted accounting practices. The Utility Board shall cause an annual audit to be made of the financial condition of the system and shall report the same to the Keyser City Council.

In the event the existing rates established by this Article are not sufficient to meet the obligations of the Utility Board, the Utility Board shall provide the City Council with a request for a rate increase. The request shall include a written report describing factors necessitating a rate increase and the impact on all classes of customers of the proposed increase. The rate increase shall be considered in accordance with the Code of the State of West Virginia and Rules and Regulations of the West Virginia Public Service Commission.

ARTICLE THREE
COST OF SERVICE

The Utility Board is authorized to enter into agreements, subject to the approval of the West Virginia Public Service Commission, to provide services in which a rate is not established in this Article. This may include inter-governmental agreements, agreements with industrial users or emergency aid for other utilities, provided that all provisions of Bond Ordinances are adhered to and that provision of the services will not result in subsidy of the other party by the customers of the Utility Board or a reduction in the level of service provided to the customers of the Utility Board. The City shall by ordinance have power to establish, change and adjust rates and charges for the services rendered therein by the system against the owners of the premises served, in the manner herein before provided for establishing, changing and adjusting rates and charges for the service rendered in the City, and such rates or charges shall be collectible as provided in Articles FOUR

ARTICLE FOUR
RULES AND REGULATIONS - SEWER

A. Generally

1. Rules and regulations for the Government of Sewer Utilities, adopted by the Public Service Commission of West Virginia, and now in effect and all amendments thereto and modification thereof hereafter made by said Commission which are not inconsistent with this ordinance (when this ordinance has priority) are hereby adopted.

2. In the event a lot, parcel of land, building or premises uses or other liquid wastes into the municipal sanitary sewer system uses water supplied on other than a metered basis from the City of Keyser municipal water system or from any other source of water supply, the owner or occupant shall be required to cause a water or sewer meter or other measuring devise to be installed but pending such installation the sewer service rates and charges to such building or premises shall be based upon an estimated quantity of water used based upon prior average usage.

water in excess of 50,000 gallons per month and it can be shown to the satisfaction of the City Council that a substantial portion of the water as measured by the water meter does not and cannot enter the sewer facilities of the City, then the City may determine, in such manner as may be found practical, the amount of sewage entering the sewer system and the sewer service rate or charge shall be based thereon; or, the City may require or permit, at user's expense and fees, the installation of additional meters or measuring devices in such manner as to determine the quantity of sewage actually entering the sewer facilities, in which case the sewer service rate or charge shall be based thereon.

B. AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial sanitary sewer service.

1. RATE

Effective 45 days from passage by the City of Keyser
a. A customer service charge of $1.45 per month shall be made to each customer connected to the system ("service charge").

b. In addition to the service charge, commodity charges shall be based on the following usages of water:

First	500,000 gallons used per month	$5.45 per 1,000 gallons
All over	500,000 gallons used per month	$4.36 per 1,000 gallons

2. MINIMUM CHARGE

No bill will be rendered for less than $1.45 per month.

3. RESALE RATES (Including, but not limited to, New Creek Public Service District)

Effective 45 days from passage by the City of Keyser:
$2.75 based on metered water usage per 1,000 gallons used per month.
$2.53 based on metered flows of sewage per 1,000 gallons used per month.

C. DELAYED PAYMENT PENALTY

The above tariff is net. On all accounts not paid in full within twenty (20) days of date of bill ten percent (10%) will be added to the amount due. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

D. SURCHARGE

Whenever a commercial or industrial user discharges wastes that exceed the BOD, Suspended Solids or other pollutant concentration loads set forth in the Sewer Use Ordinance, there shall be billed a surcharge in addition to the base user charge according to the formula established in Tariff P.S.C. W.Va. No. 5.

E. SEWER CONNECTION CHARGE

There will be a $350.00 tap fee charged to any new customer requesting service.

F. CAP FEES

In the event of demolition or removal of a building, trailer, or structure, it is necessary to first obtain a sewer cap permit from the Utility Board. The fee for the sewer cap permit will be $30.00.

G. SEPTIC OR WASTEWATER HAULER'S PERMIT

Unless covered by a wastewater contribution permit, all haulers of septic waste or wastewater shall be required to secure an annual permit from the Utility Board. The annual fee for this permit will be $100.00.

H. RATE FOR TRUCKED SEPTIC WASTES OR TRUCKED WASTEWATER

The rate for trucked wastewater or septic discharged into the system shall be $20.00 per 1,000 gallons. The minimum charge for each truck shall be $20.00. The Utility Board shall develop a procedure for billing and collecting. In the event that collection of bills creates a burden on the Utility Board or its staff, the permit to discharge may be suspended or revoked by the Supervisor. If the permit is revoked, a new permit will be required.

I. ADJUSTMENT OF BILLS

No allowance or adjustment of any sewer bill under this article shall be made for any leaks of any nature occurring on the user's side of the meter unless, in the discretion of the Supervisor for the Utility Board, an allowance or adjustment would prevent or rectify a gross inequity in charges to the customer. In such event the leak adjustment shall be:

Effective 45 days from the passage by the City of Keyser:
$0.42 per 1,000 gallons incremental cost.

ARTICLE SIX
BILLS TO BE A LIEN UPON THE PREMISES SERVED; REQUIRED DEPOSIT; MISCELLANEOUS PROVISIONS APPLICABLE TO WATER & SEWERAGE SYSTEMS

A. Rates and charges provided in this ordinance, if not paid when due, shall be a lien upon the premises served by the system to the fullest extent permitted by law. If such rates or charges are not paid within thirty (30) days, the amount thereof, together with all reasonable and customary legal fees, may be recovered by the Utility Board in a civil action in the name of the City of Keyser, and in connection with such action said lien may be foreclosed against such lot, parcel of land or building, in accordance with the laws relating thereto.

B. With each application for service for water and/or sewerage services, there shall be made to the Utility Board a deposit in the amount of One Hundred ($100.00) Dollars for water, sewage, or water and sewage services, as permitted under the Public Service Commission Rules and Regulations. Said deposit shall be returned to the customer, as required by said rules and regulations, with interest at the minimum rate as permitted under said rules and regulations and, in the event, there is no minimum rate, then at the rate of 2% per annum.

C. SERVICE TO TRAILER COURTS

House trailer courts shall be provided with a master meter. No bill shall be rendered for less than the minimum bill herein established multiplied by the number of units situated on the court site at the time the meter is read, or the actual charge for sewer services based upon water used, whichever is greater. House trailers (as used hereinabove) shall include both mobile and immobile units.

House trailers, either mobile or immobile, located on sites other than a park or court, shall be billed in the same manner as any other family or business unit.

ARTICLE SEVEN
SEVERABILITY CLAUSE

If any provision of this article is invalidated by any court of competent jurisdiction, the remaining provisions shall not be effected and shall continue in full force and effect.

ARTICLE EIGHT
EFFECTIVE DATE

The provisions of this ordinance shall become effective forty-five (45) days from the date of adoption by the City of Keyser.

ARTICLE NINE
PENALTY FOR VIOLATION OF THE USE ORDINANCE

Whoever violates any provision of Article Four, Rules and Regulations - Water, and Article Five, Rule and Regulations - Sewer, for which no other penalty is provided shall be fined not less than $100.00 nor more than $1,000.00, or imprisoned for not more than thirty (30) days, or both fined and imprisoned.

By Authority of the Mayor and City Council

Mayor

Sewerage Tariff P.S.C. W.VA. NO. 1
1998-1

superseding all prior Sewerage Tariffs to the extent, the aforegoing is inconsistent therewith.

January 28, 1999

Mayor Keith R. Hayward brought the meeting to order at 5:30 P.M. Councilman Donald P. Heare opened the meeting with a reading.

Present: Mayor Keith R. Hayward, Councilman Donald P. Heare, Councilwoman Sally Burnside, Councilman Marques Rice, Administrator Penny Sanders, News Reporter Liz Beavers and Mike Sawyers, Engineer Dave Vanscoy, Floyd Conrad, Water Supervisor Sonny Gank, Street and Sewer Supervisor Jim Hannas, Gary Simmons and Donald Thomas.

Councilman Heare made a motion to accept the minutes of January 14, 1999 as presented, seconded by Councilwoman Burnside. Motion carried unanimously.

CITIZEN'S REQUEST/COMPLAINTS

Donald Thomas from 620 Carskadon Lane appeared before Mayor and Council to discuss a water pressure problem. He said he has lived in Keyser for 20 years. He said when his neighbors are using water he doesn't have any water pressure, not even enough to fill his flush boxes on his commode. Mr. Thomas said that Water Supervisor Gank did tell him the City is working on the problem. Water Supervisor Gank told Mr. Thompson that section of line is scheduled to be replaced in the Water Improvement Project. Engineer Vanscoy said that the line would be replaced with a 6" line to the fire hydrant. Mr. Thomas said that he even called the Public Service Commission and they told him to be patient, that he City was working on the problem. Mayor Hayward told Mr. Thomas that he was sorry for the inconvenience, but this is one of the reasons for the Water Improvement Project. There are water pressure problems all over town.

Floyd Conrad asked about junked cars. Have they quit on it? Mayor Hayward said it looks like it, but some of it is due to winter. Mayor Hayward said we discussed this with Chief Ellifritz and some people weren't notified. He said we will have to check with Lt. Roy.

Floyd Conrad asked about the snow removal. Has anyone been fined? Mayor Hayward said he didn't think so. Mr. Conrad said something needs to be done. Councilwoman Burnside said there were a few complaints. Mayor Hayward said one of the main problems is on Mineral Street. People clean off the sidewalks and the Department of Highway trucks throw it back on while plowing. Mr. Conrad said another problem is on Memorial Bridge. He said there are people that have to walk from McCoole to Keyser. Councilwoman Burnside said most of the complaints were where people pushed the snow

water department. He said after meeting with that subject, he would like to make a motion to hire Mike Eversole to fill in for Roger Moore while he is on Worker's Compensation, seconded by Councilman Heare. Motion carried unanimously.

Councilman Rice reported that there was a complaint at 303 Richmond Street. The blockage was located and taken care of. We had a sewer block in the main line at 353 Richmond Street. We excavated, replaced pipe, and a cleanout was installed. We dye tested to make sure everything was okay. There was a complaint at Blackburn Trailer Court. There was a sewer blockage. It was hand rooted and opened up. We had a complaint on Knight Street. The sewer was backed up. We hand rooted it and opened it up. We needed to replace some pipe. Main line at Davis's on Knight Street was blocked. It was excavated and we replaced 50 ft. of broken main. We installed a cleanout. There was a complaint at the Nutter residence on Oak Street. The sewer was blocked. We dye tested and it was on the owner's lateral. The owner was notified to take care of it.

Councilman Rice said he would like for the City to come up with some kind of format for when the local plumbers do sewage work for the City. They are putting in the quickest, cheapest way of doing the sewer lines. The way they are doing it, we have no access to cleaning them out. I would like to have some kind of proposal where someone from the City inspect the job of a plumber before it is covered up. Water Supervisor Gank said we need a Water and Sewer Code for the City of Keyser. Councilman Heare said we need to get with the City Attorney. Councilman Rice said we need to get on this. Water Supervisor Gank said it wouldn't be a bad idea for the City to join Miss Utility. The Utility Board will meet February 3rd and we will put this on the agenda.

RECREATION BOARD REPORT

Mayor Hayward asked if the jet sprayer can be used as a sand blaster. Water Supervisor Gank said it would probably be better just to invest into a cheap sand blaster. Councilman Heare asked if you could rent one. Water Supervisor Gank said yes.

UNFINISHED BUSINESS
ORDINANCE NO. 251

Mayor Hayward read by title the last reading and final adoption of Ordinance No. 251 AN ORDINANCE ESTABLISHING RATES, RULES AND REGULATIONS FOR FURNISHING SEWERAGE AND SEWER DISPOSAL SERVICE FOR THE CITY OF KEYSER AND AREAS SERVED THEREBY IN MINERAL COUNTY, WEST VIRGINIA, AND REPLACING ALL PRIOR SEWERAGE AND SEWER DISPOSAL RATES, RULES AND REGULATIONS WHICH ARE INCONSISTENT HEREWITH. Councilwoman Burnside made a motion to adopt Ordinance No.

251, seconded by Councilman Heare. Motion carried unanimously.

Councilman Heare reported that Mike Eversole will start Wednesday, February 3, 1999.

NEW BUSINESS

There was no new business.

NEXT REGULAR COUNCIL MEETING

Mayor Hayward said there is a Water and Sewer Progress Meeting on February 2, 1999 at 1:00 P.M. and 2:00 P.M. There is a Utility Board Meeting on February 3, 1999 at 5:00 P.M. There is a Work Session on February 8, 1999 at 9:00 A.M. on Snow removal. The next council meeting will be February 11, 1999 at 5:30 P.M.

Councilman Heare made a motion to adjourn the council meeting, seconded by Councilwoman Burnside. Motion carried unanimously.

MAYOR KEITH R. HAYWARD

CITY ADMINISTRATOR PENNY SANDERS

NEWS-TRIBUNE
KEYSER, WEST VIRGINIA

STATEMENT

THE MOUNTAIN ECHO
Established 1885
KEYSER, WEST VIRGINIA

MINERAL DAILY NEWS-TRIBUNE CO. INC.
P.O. BOX 879
KEYSER, WEST VIRGINIA 26726
788-3333

2-10-99 19

City of Keyser

[redacted]

ADVERTISING IS A DEDUCTIBLE BUSINESS EXPENSE
THIS STATEMENT PAYABLE UPON RECEIPT

Public Notice of Changes in Rates: Sewer

Published: 2:3,10

19 x 42 = 798 x .07 = 55.86 x .75 = 41.90 + 55.86 = 97.76

Fee: $97.76

CITY OF KEYSER
AUTHORIZED AND
PAYMENT APPROVED
DATE 3/15/99
INITIAL

Federal I.D. No. 550-463-343-8
Mineral Daily News-Tribune Co. Inc.

NEWS-TRIBUNE
KEYSER, WEST VIRGINIA

STATEMENT

THE MOUNTAIN ECHO
Established 1885
KEYSER, WEST VIRGINIA

MINERAL DAILY NEWS-TRIBUNE CO. INC.
P.O. BOX 879
KEYSER, WEST VIRGINIA 26726
788-3333

1-27-99 19

City of Keyser

[redacted]

ADVERTISING IS A DEDUCTIBLE BUSINESS EXPENSE
THIS STATEMENT PAYABLE UPON RECEIPT

Public Notice of Change in Rates

Published: 1:20,27

14.75 x 42 = 619.50 x .07 = 43.37 x .75 = 32.53 + 43.37 = 75.90

Fee: $75.90

CITY OF KEYSER
AUTHORIZED AND
PAYMENT APPROVED
DATE 3/15/99
INITIAL

Federal I.D. No. 550-463-343-8
Mineral Daily News-Tribune Co. Inc.

City Council Meeting
Special Meeting
January 3, 2001

Those present:
Marlin Robinson, Cody Pancake, Bill Friend, Bobbie Robinson, Liz and Aaron Beavers, George W. McNeill, Ronda Wertman, Mike Cannon, William M. Roy, Marq Rice, James Robinson, Sally Burnside, Roger Newlin, N. Edward Taylor, Mark Geary, Thurman Smith

- Had the Pledge of Allegiance
- Special Meeting for the reading of the ordinance for additional funding for the sewer improvement project. City Attorney, Cody Pancake briefly explained he had a petition that the sanitary board will need to adopt at their special meeting. The petition will extend the loan for two years along with borrowing an additional $523,072.00. To finalize the bond you have to have a first reading which will be tonight. The second reading will be January 10th and a public forum will be January 24th with the closing on January 25th. Cam Secrist, the bond council will be here on the 24th. At this time, the Sanitary Board will meet for a special meeting. The Sewer Bonds were received today by overnight express which we will have to read initially by title as far as tonight is concerned in the first page. The Sanitary Board is going to vote on taking out the additional or extending the loan for two years in the amount of $523,072.00. (The meeting of the council was convened and the Sanitary Board met with a reading of the petition as follows:)

  The Sanitary Board of the City of Keyser on motion duly passed at its meeting on the 3rd of January 2001 respectfully petition the council of the City of Keyser to enact an ordinance directing that sewer revenue bonds of the City of Keyser be issued pursuant to the provisions of Chapter 16 Article 13 of West Virginia Code in an amount not to exceed $523,072.00 for the purpose of financing the costs of certain necessary betterments and improvements to the city's sewer system. All required by Chapter 16, Article 13 of the West Virginia Code directed this Thursday of January 2001, the Sanitary Board if the City of Keyser. Signed and presented this date.

Cody Pancake advised that he had the bond ordinance

finally finally

prepared by Cam Secrist, Bond Council, and that they were not voting on anything tonight and this would be considered the first reading of the bond ordinance by title in the introductory paragraph. The same thing would be done again next week and will also not be voted on. There will be a special session on January 24th and it was assumed that Mr. Secrist would be there and the bond ordinance will be available for public comment at that time and Mr. Secrist will answer any particular questions that would be raised at that time. By title, its reads:

The City of Keyser Sewer Revenue Bond Sewage 2001 West Virginia SR Program instead of bond ordinance. An ordinance authorizing the acquisition and construction of certain additions, betterments and improvements to the existing pubic sewage facilities of the City of Keyser and the financing of the cost not otherwise provided, thereof, thru the issuance by the City of Keyser of not more than $523,072.00 in aggregate principal amount of City of Keyser Sewer Revenue Bonds (?) 2001 SRF Program providing for rights and remedies of and security for the holders of such bonds approving, modifying and confirming a bond purchase agreement with the West Virginia Water Development Authority and the West Virginia Division of Environmental Protection relating to such bonds authorizing the sale and providing for the terms and provisions of such bonds and adopting other provisions relating thereto.

The Ordinance was upon motion made and seconded, approved unanimously.
This is the first reading of the ordinance which will have a number by the next time. The second reading will be the regular council meeting next Wednesday, January 10th. There is still a lot of legal work taking place with this. There are still some additional documents that need to be filed with the Public Service Commission so we can receive the certificate of convenience and necessity.

The special meeting was adjourned.

Council Meeting **January 10,2001** ORIGINAL **6:45p.m.**

Those present: Ed Taylor, Grace Rotruck, Mary Leatherman, Liz Beavers, Bill Roy, Floyd Conrad, Ronda Wertman, Stacy Taylor, Marq Rice, Marlin Robinson, Jim Robinson, Sally Burnside, Andy Knotts, Chris Proietti, Beth Knotts, Walter Barlett, Roger Newlin, and Wanda Taylor.

Mayor Newlin called the meeting to order.

Jim Robinson made a motion to approve the previous meetings minutes, seconded by Marques Rice. Vote 3-0. Motion passed.

Citizen's Request and Complaints:

Mrs. Rotruck inquired as to what the contractor is doing at the pump station that is causing so much noise.
Ed Taylor stated it was a temporary pump being used to pump away excess sewerage and it should stop as of the 21st.
Mrs. Rotruck inquired as to whether or not the water prices would raise due to the Sewer Bond Ordinance.
Mr. Taylor said the water prices would not increase due to the Sewer Bond Ordinance.
Mrs. Rotruck inquired as to why the city needs four new trucks and as to where the money would come from to purchase them.
Marques Rice stated that one truck was for the Sewer Department (taken from the Sewer Department), one truck was for the Filtration Plant (taken from the Water Department), one truck was to be used as a utility truck (taken from the Water Department), and one truck was to replace the blue dump truck (taken from the Street Department).

A discussion took place concerning the Ordinance about keeping grass cut and trash picked up. The city now has a form letter to distribute those addresses this issue if needed.

Chief of Police Report:
Bill Roy stated the City of Keyser has received a check in the amount of $1,118.69 for the recent drug raids. Bill Roy read the Police Departments yearly report. Mr. Roy stated the Police Department is trying to get a couple of grants. Mr. Roy discussed the city getting on line with the Sheriff's Department at a cost of approximately $240.00 yearly.

Recreation Board Report:
Marlin Robinson reported they are in the process of painting upstairs.

City Administrator's Report:
Ed Taylor stated the time for the next council meeting on January 24th needs to be changed to 5:30 p.m., due to an attorney coming from Charleston for the final reading of Ordinance #259 Sewer-Bond). Mr. Taylor stated Senator Hunter wanted everyone to know there will be a town meeting at the Grand Business Center at 6:30 p.m., on January 17th.

Finance Report:
Jim Robinson stated the two year audit has been completed and is available for review. The cost for the audit was $17,000.00.

Street Department:
Sally Burnside reported the Christmas decorations had been taken down, streets were hand swept, streets were salted, city sidewalks shoveled, signs were erected, ditches maintained with stone, Christmas trees burned, trash pick up done, helped Martin's pick up shopping carts, and all vehicles cleaned and maintenanced,
A motion was made by Jim Robinson to install a new garage door at the city garage at a cost of $1,950.00, seconded by Sally Burnside. Vote 3-0. Motion carried.

Water/Sewer Report:
Marques Rice reported they had repaired line breaks, replaced one (1) fire hydrant, thawing of frozen meters, finished reading meters for the month, and checked high water bill complaints. Marques Rice stated the I & I team has been working with the Waste Water Treatment Plant, two hundred and seventeen (217) roof drain notices had been delivered. Mr. Rice mentioned the jetta sprayer had been used for several sewer blocks.

Unfinished Business:
Mayor Newlin read Ordinance #259 (Sewer Bond). This was the second reading of this ordinance. Marques Rice made a motion to enact Ordinance #259, seconded by Jim Robinson. Vote 3-0. Motion carried.

Meeting adjourned by Mayor Newlin.

City of Keyser
111 N. Davis Street
Keyser, WV 26726
Phone: (304) 788-6611 Fax: (304) 788-0723

City Council Meeting
January 24, 2001
5:30 p.m.

Those present: William Roy, R.E. McIntyre, Grace Rotruck, Mary Leatherman, Wayne Miller Sr., Cody Pancake, Morris Kiddy, Jim Robinson, Sally Burnside, Kathy Broadwater, Ed Taylor, Liz Beavers, Walter Barrett, Marlin Robinson, Ronda Werdman, Stacy Taylor, Jim Hannas, Roger Newlin, Barbara Yaider, Cam Siegrist, David Baker, Andrew Rankin, Mark Rice, Wanda Taylor, Fred Hamilton, Cindy Pyles, and Kim Rolls.

Mayor Newlin called the meeting to order.

Jim Robinson made a motion to approve the previous meetings minutes, seconded by Sally Burnside. (Vote 3-0.) Motion passed.

Cam Siegrist discussed an additional $523,072 needed for improvements on the Sewer Bond Ordinance. He stated an application had been made to the state revolving fund which has been administered by the DEP. They approved an additional loan in the amount of $523,072 to be repaid once the 1999 bonds are paid in full. Mr. Siegrist mentioned this is a non-interest baring bond, and the monthly amount will not change. Mr. Siegrist stated there will be an administrative fee due each quarter. Mr. Siegrist also stated that on the 3rd and 10th of January the city enacted a Bond Ordinance that would authorize this last series of Bonds for the $523, 072. In that Ordinance it contemplates a Supplemental Resolution be adopted that will fine tune it. It's also required that there be a public hearing held and a legal ad must be run twice in a local newspaper telling the public they have a right to appear and comment on the proposed issue of Bonds. Mr. Siegrist stated that once the public has commented we will close the hearing and take into consideration all comments made and the city will make a decision as to whether you want to go forward with it. If the city decides to go forward with the Ordinance we will ask you to put the Ordinance into effect. We also must consider the Supplemental Resolution (copies enclosed). This simply takes the Bond Ordinance and fills in the details concerning it. This is the last step the city takes before signing the Bond documents. The closing date has been set for February 13, 2001. We have gotten approval from the Public Service Commission. The accountant, John Blair, is finalizing his work on the numbers so he will be able to give the certificate at the closing. The Rural Utility Service must consent to this new Bond being on the parity with their Bond.

Grace Rotruck inquired as whether the Bond money is to be used specifically for the sewer system.

Cam Siegrist stated that the monies are used strictly for the sewer project and that the city must submit requistions to the DEP showing what the money is being used for.

Grace Rotruck inquired as to whether the city has started to pay back the original Bond yet.

Cam Siegrist stated the first payment of the 99 Bonds is not due until June of this year.

Mayor Newlin opened the floor for public discussion on Bond.

Grace Rotruck ask how much the payment on the original Bond was and from what fund does it come from.

Attorney Pancake answered the amount of the payment is $66,000 (quarterly) and it's paid from the sewer fund.

Grace Rotruck ask what happens if there is not enough money to pay back Bond.

City of Keyser
111 N. Davis Street
Keyser, WV 26726
Phone: (304) 788-6611 Fax: (304) 788-0723

Cam Siegrist answered the city would have to raise it's rates.

Attorney Pancake stated all the city will really be doing is extending our payments by eight quarters.

Marlin Robinson ask if monies will strictly be used for sewer improvements verses repairs.

Mayor Newlin answered the monies will be used for specified improvements only.

Mayor Newlin closed public hearing.

Jim Robinson made a motion to put Bond Ordinance # 259 into effect, seconded by Marques Rice. (Vote 3-0) Motion passed.

Cam Siegrist ask the council to review the Supplemental Resolution. He noted there is an administrative fee.

Marques Rice made a motion to approve the Supplemental Bond Resolution seconded by Sally Burnside. (Vote 3-0) Motion passed.

Citizen's Request & Complaints

Wayne Miller stated he was interested in purchasing the Alkire Mansion and acreage for a possible meat processing plant.
The council said they would discuss it and back to him.

Cindy Pyles stated she has been receiving calls from merchants complaining about parking meters.
A brief discussion took place and the consensus was that the meters are necessary to keep traffic moving.

R. E. McIntyre stated he is 100% opposed to annexation and will conduct a campaign in opposition to this.

Fred Hamilton stated he had spoke with Mike Bland and Mike Myer about back up water system. He feels someone should attend the meetings on this.

Marques Rice stated that Mr. Taylor did attend the last meeting in Westernport concerning this issue.

Fire Chief's Report:
Marques Rice reported the 1974 truck will be having repair work done.

Chief of Police Report:
Mr. Roy stated the Magistrate express teletype that was previously approved will not be ready for four to six weeks.
Mr. Roy mentioned the Sheriff's Department want the Police Department to do their reporting to Charleston for them (they will pay for it). Mr. Roy stated they are working with the Sheriff's Department on a small city grant for overtime for police officers. Mr. Roy stated the Prosecuting Attorney has ask for assistance in Piedmont on an investigation.

A discussion took place about the intersection of Chestnut and Mineral Streets. Mayor Newlin suggested a three way stop.

Recreation Report:
Marlin Robinson read the Recreation Report and also submitted an estimate of $1,300.00 to council for carpet for the office.
Finance Report:
Jim Robinson stated he will be looking at the cost of doing an annexation study.

City of Keyser
111 N. Davis Street
Keyser, WV 26726
Phone: (304) 788-6611 Fax: (304) 788-0723

Street Department:
Sally Burnside read the report.

Water/Sewer Department:
Marques Rice read the report.

Mayor Newlin adjourned the meeting.

I, as an officer of the News-Tribune, a daily newspaper published at Keyser, Mineral County, West Virginia, hereby certify that the Notice of Public Hearing-Sewer Bond Ordin in the case of City of Keyser

vs.

a copy whereof is hereto annexed has been published for 2 consecutive weeks in said NEWS TRIBUNE, the first publication being on the 13th day of, January 2001.

Given under my hand at Keyser this 20th day of January, 2001.

Publisher

Publisher's Fee

$ 64.68

NOTICE OF PUBLIC HEARING
CITY OF KEYSER
NOTICE OF
PUBLIC HEARING
ON SEWER BOND
ORDINANCE

A public hearing will be held on the following entitled Ordinance at a regular meeting of the Council of the City of Keyser to be held on January 24, 2001, at 5:30 p.m., in the Council Chambers at the Keyser City Hall, 111 North Davis Street, Keyser, West Virginia, and at such hearing all objections and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

Ordinance authorizing the acquisition and construction of certain additions, betterments and improvements to the existing public sewerage facilities of the City of Keyser and the financing of the cost, not otherwise provided, thereof through the issuance by the City of Keyser of not more than five hundred twenty-three thousand seventy-two dollars ($523,072.00) in aggregate principal amount of City of Keyser sewer revenue bonds, series 2001 (West Virginia SRF Program); providing for the rights and remedies of and security for the holders of such bonds; approving, ratifying and confirming a bond purchase agreement with the West Virginia Water Development Authority and the West Virginia Division of Environmental Protection relating to such bonds; authorizing the sale and providing for the terms and provisions of such bonds; and adopting other provisions relating thereto.

The above-entitled Ordinance was enacted by the Council of the City of Keyser upon petition of the Sanitary Board of the City on January 10, 2001.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bond issue contemplated thereby. The Bonds are to provide permanent financing of a portion of the costs of acquisition and construction of certain improvements to the sewage treatment and collection facilities for the City of Keyser. The Bonds are payable solely from revenues derived from the ownership and operation of the sewerage system of the City of Keyser. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

A certified copy of the above-titled Ordinance is on file at the office of the Recorder of the City of Keyser for review by interested parties during regular office hours.

Following the said public hearing, the City Council intends to put said Ordinance into effect.

Dated: January 10, 2001.

N. Edward Taylor,
City Administrator

WEST VIRGINIA MUNICIPAL BOND COMMISSION
Suite 500
8 Capitol Street, Charleston, WV 25301
(304) 348-3971

NEW ISSUE REPORT FORM
Date of Report: February 13, 2001

ISSUE: City of Keyser Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program)

ADDRESS: 111 North Davis Street, Keyser, West Virginia 26726 COUNTY: Mineral

PURPOSE OF ISSUE: New Money X
Refunding _____ Refunds issue(s) dated: _____

ISSUE DATE: February 13, 2001 CLOSING DATE: February 13, 2001

ISSUE AMOUNT: $ 523,072.00 RATE: 0% ($356 Quarterly Administrative Fee due December 1, 2001)

1st DEBT SERVICE DUE: June 1, 2023 1st PRINCIPAL DUE: June 1, 2023

1st DEBT SERVICE AMOUNT: $65,384 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Bowles Rice McDavid Graff & Love, PLLC
Contact Person: Camden P. Siegrist, Esq.
Phone: 347-1129

UNDERWRITERS COUNSEL: Jackson & Kelly, PLLC
Contact Person: Samme L. Gee, Esq.
Phone: (304) 340-1318

CLOSING BANK: F&M Bank-West Virginia, Inc.
Contact Person: Billie Simpson, AVP
Phone: (304) 788-3111

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Ed Taylor
Position: City Administrator
Phone: (304) 788-1511

OTHER: Division of Environmental Protection
Contact Person: Rosalie Brodersen
Function: Branch Leader
Phone: (304) 558-0637

DEPOSITS TO MBC AT CLOSE: _____
_____
By _____ Wire _____
_____ Check _____

Accrued Interest: $_____
Capitalized Interest: $_____
Reserve Account: $_____
Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire _____ To Escrow Trustee: $_____
_____ Check _____ To Issuer: $_____
_____ IGT _____ To Cons.Invest.Fund $_____
_____ To Other:_____ $_____

NOTES: _____

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

09/25/00

CITY OF KEYSER

SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

F&M Bank-West Virginia, Inc., with offices in Keyser, West Virginia, hereby accepts appointment as Depository Bank, in connection with a Bond Ordinance enacted January 10, 2001, and put into effect following a public hearing on January 24, 2001, and a Supplemental Resolution adopted January 24, 2001 (the "Ordinance"), of the City of Keyser, authorizing issuance of the City's Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), dated February 13, 2001, in the aggregate principal amount of $523,072 (the "Bonds"), and agrees to perform all duties of Depository Bank, in connection with such Bonds, all as set forth in the Ordinance.

Dated this 13th day of February, 2001.

F&M BANK-WEST VIRGINIA, INC.

By: Billie Simpson

Its: Authorized Representative

GBB.GBB.0075970

CITY OF KEYSER

SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

ACCEPTANCE OF DUTIES OF REGISTRAR

Branch Banking and Trust Company, in Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Keyser Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), dated February 13, 2001, in the aggregate principal amount of $523,072 (the "Bonds") and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

Dated this 13th day of February, 2001.

BRANCH BANKING AND TRUST COMPANY

By: _____
Charlotte S. Morgan
Its: Assistant Vice President

CITY OF KEYSER

SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CERTIFICATE OF REGISTRATION OF BONDS

I, Charlotte S. Morgan, Assistant Vice President of Branch Banking and Trust Company, as Registrar under the Local Act and the Registrar's Agreement providing for the $523,072 aggregate principal amount of Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), of the City of Keyser (the "Issuer"), hereby certify that on the 13th day of February, 2001, the single fully registered Series 2001 Bond of the Issuer in the principal amount of $523,072, designated "Sewer Revenue Bond, Series 2001 (West Virginia SRF Program)," numbered R-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of Branch Banking and Trust Company, as Registrar.

WITNESS my signature as of this 13th day of February, 2001.

BRANCH BANKING AND TRUST COMPANY

By: Charlotte S. Morgan

Charlotte S. Morgan
Its: Assistant Vice President

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 13th day of February, 2001, by and between CITY OF KEYSER, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $523,072 aggregate principal amount of Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance enacted January 10, 2001, and put into effect following a public hearing held on January 24, 2001, and a Supplemental Resolution adopted January 24, 2001 (the "Local Act");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Local Act, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Local Act provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Local Act and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Local Act and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Local Act, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. For its fees and expenses hereunder, Registrar shall receive the amount of $500 if a representative of Registrar attends the closing or $250 if a representative of Registrar does not attend the closing, said fees and expenses to be payable upon the issuance of the Bonds.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Local Act with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Local Act, the terms of the Local Act shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Local Act will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

Issuer:	City of Keyser 111 North Davis Street Keyser, West Virginia 26726
Registrar:	Branch Banking and Trust Company P. O. Box 1793 Charleston, West Virginia 25326 Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Local Act.

IN WITNESS WHEREOF, CITY OF KEYSER and BRANCH BANKING AND TRUST COMPANY have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

CITY OF KEYSER

By: _____
Its: Mayor

BRANCH BANKING AND TRUST COMPANY

By: _____
Its: Assistant Vice President

EXHIBIT A

[See Tab Numbers 1 and 2]

Office of Water Resources
1201 Greenbrier Street
Charleston, WV 25311-1088
Telephone 304-558-4086 or 558-8855

West Virginia Division of Environmental Protection

Cecil H. Underwood
Governor

Michael C. Castle
Director

August 10, 1999

David Baker, City Administrator
City of Keyser
111 N. Davis Street
Keyser, WV 26726

CERTIFIED RETURN RECEIPT REQUESTED

Re: WV/NPDES Permit No. WV0024392
Modification No. 3

Dear Mr. Baker:

This letter serves as Modification No. 3 of your existing WV/NPDES Water Pollution Control Permit No. WV0024392 issued the 2nd day of April 1995.

After reviewing your permit and your application for Modification No. WV0024392-D dated the 26th day of October 1998, the above referenced permit is hereby modified to include the **acquisition, construction, installation, operation and maintenance of a sewage collection and wastewater treatment system upgrade consisting of a new dechlorination disinfection system consisting of chemical feed equipment, a new 147,800 gallon contact tank, new floating baffling, rearrangement of the current mixer/aerators, piping to recirculate flows, a new lagoon level control structure and also improvements to the Limestone Run Pump Station including the replacement of the three (3) existing pumps with four (4) submersible pumps, a self cleaning mechanical bar screen, a CSO flow monitoring device. Also, to upgrade the sewage collection system including replacement of 1,906 linear feet of 12 inch gravity sewer line, 17,394 linear feet of eight (8) inch gravity sewer line, 90 manholes, 42 water-tight frames and covers, 150 cleanouts, 3,900 linear feet of service laterals, and all other necessary appurtenances.**

The new sewage collection and treatment system upgrades shall be constructed in accordance with the approvable plans, specifications and reports considered approvable by the Contruction Assistance Branch on the 15th day of April 1999. A further description of these documents is presented as follows:

SEWAGE COLLECTION AND TREATMENT SYSTEM UPGRADE TO BE CONSTRUCTED IN ACCORDANCE WITH:

Approvable Plans and Specifications:
Date Approvable: April 15, 1999
Prepared by: Chester Engineers
818 W. Diamond Avenue
Gaithersburg, MD

Titles: The City of Keyser, West Virginia
Wastewater Treatment Plant Interim Upgrades

The City of Keyser, West Virginia
Pump Station Improvements

Prepared by: Vanscoy Engineering and Surveying
125 West Street
Keyser, WV 26726

Titles: City of Keyser - Contract No.1 Wastewater Treatment Plant - Chemical Treatment Plant, Chlorine Contact Chamber, Grinder Pump Replacement

City of Keyser - Contract 4 Sewer Line Replacement

The City shall complete this sewage collection and treatment system upgrade project and begin to meet the final permit discharge limitations on or before ***June 1, 2001*** as established in the compliance schedule of Consent Decree No. 97C79 entered in the Mineral County Circuit Court.

Find enclosed revised pages 3 of 14; incorporated page13A of 14 and revised Discharge Monitoring Report (DMR) page. The revised page, incorporated page, and DMR shall be incorporated into this permit. Also, the revised page and DMR shall replace the pages currently found in your existing permit.

All other terms and conditions of the subject permit shall remain in effect and unchanged.

Very truly yours,

OFFICE OF WATER RESOURCES

Barbara S. Taylor
Chief

BST/rb

cc: Env. Inspector Supervisor
Env. Inspector

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CONSENT TO ISSUANCE OF PARITY BONDS

TO WHOM IT MAY CONCERN:

In reliance upon the Certificate of the Certified Public Accountant delivered on the date hereof in connection with the above-referenced Bonds, the undersigned duly authorized representative of the West Virginia Water Development Authority, as the registered owner of the Sewer Revenue Bonds, Series 1986 (the "Series 1986 Bonds") and Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program) (the "Series 1999 Bonds"), of the City of Keyser (the "Issuer"), hereby consents to the issuance of the Issuer's Sewer Revenue Bonds, Series 2001 (West Virginia SRF Program) (the "Series 2001 Bonds") in an aggregate principal amount not to exceed $523,072, on a parity with respect to liens, pledges and sources of and security for payment, with the Series 1986 Bonds and the Series 1999 Bonds, under the terms of the Bond Ordinance authorizing the Series 2001 Bonds.

Dated this 13th day of February, 2001.

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

By: _____
Its: Director

GBB.GBB.0075975

USDA

United States
Department of
Agriculture

Rural Development

Federal Building, Room 320
75 High Street
Morgantown, WV 26505-7500
Tel: (304) 284-4888
Fax: (304) 284-4892
TTY/TDD: (304) 284-4836

CITY OF KEYSER, WEST VIRGINIA
SEWER REVENUE BONDS
SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

TO WHOM IT MAY CONCERN:

United States of America acting through the Rural Utilities Service, United States Department of Agriculture (formerly the United States of America, Farmers Home Administration), as sole present holder of the City of Keyser Sewer Revenue Bonds, Series 1980 (the "Series 1980 Bonds"), hereby consents to the issuance of the Issuer's Sewer Revenue Bonds, Series 2001 (the "Series 2001 Bonds") in an aggregate principal amount not to exceed $525,000, on parity with respect to liens, pledges and sources of and security for payment, with the Series 1980 Bonds, under the terms of the Bond Ordinance authorizing such Series 2001 Bonds, and hereby waives any requirements imposed by the Series 1980 Bonds or the Ordinance authorizing the same, regarding the issuance of parity bonds which are not met by the Series 2001 Bonds, and agrees that the Series 1980 Bonds, the Series 2001 Bonds, the City of Keyser Sewer Revenue Bonds, Series 1986 and the City of Keyser Sewer Revenue Bonds, Series 1999 (West Virginia SRF Program) will be on parity and of equal priority with each other as to their lien on the net revenues of the City of Keyser's sewerage system and the statutory mortgage lien thereon.

Dated this 5th day of February, 2001.

By: Dianne Goff Crysler
Dianne Goff Crysler
Acting State Director

Rural Development is an Equal Opportunity Lender. Complaints of discrimination should be sent to: Secretary of Agriculture, Washington, DC 20250.

PRINTED WITH SOY INK

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code:

3 Maturity date (if any):

1 Debtor(s) (Last Name First) and address(es)

City of Keyser
111 North Davis Street
Keyser, WV 26726

2 Secured Party(ies) and address(es)

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

For Filing Officer (Date, Time, Number, and Filing Office)

Attachment
0554913

01 FEB 13 PM 4:04
WV SEC. OF STATE
FILED

4 This financing statement covers the following types (or items) of property:

See Schedule I attached hereto and made a part hereof.

ASSIGNEE OF SECURED PARTY

Check ☒ if covered: ☒ Proceeds of Collateral are also covered ☒ Products of Collateral are also covered No. of additional Sheets presented:

Filed with: Secretary of State of the State of West Virginia

CITY OF KEYSER

By: R. C. Spaulin Mayor
Signature(s) of Debtor(s)

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: Director
Signature(s) of Secured Party(ies)

FILING OFFICER COPY—NUMERICAL

(Form approved by Secretary of State of West Virginia)

REORDER FROM
Registré, Inc.
514 PIERCE ST.
P.O. BOX 218
ANOKA, MN. 55303
(612) 421-1713

CITY OF KEYSER
SEWER REVENUE BONDS, SERIES 2001
(WEST VIRGINIA SRF PROGRAM)

CERTIFICATE OF FILING OF FINANCING STATEMENT

The undersigned Secretary of State of the State of West Virginia, hereby certifies that on the date and at the hour set forth below, there was filed in my office:

(1) A FINANCING STATEMENT between City of Keyser, as debtor, and the West Virginia Water Development Authority, as secured party, filed on February 13, 2001, at the hour of 4:04 p.m. as Financing Statement No. 0554913.

[SEAL]

Secretary of State of the State of West Virginia

GBB.GBB.0076421