

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

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**CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2009 A**

BOND ORDINANCE

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CITY OF LEWISBURG

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE WATERWORKS SYSTEM OF THE CITY OF LEWISBURG AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2009 A; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AND AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance (together with any ordinance, order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is enacted pursuant to the provisions of Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

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

B. The Issuer presently owns and operates, a public water system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements to the waterworks portion of the existing public water system of the Issuer, consisting of construction of a 12 inch line to connect the City of Ronceverte, together with all appurtenant facilities (collectively, the "Project"), (the existing public water system of the Issuer, the Project and any further additions, betterments and improvements thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2009 A, in the total aggregate principal amount of not more than \$1,500,000 (the "Series 2009 A Bonds"), initially to be represented by a single bond, to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Series 2009 A Bonds prior to and during construction or acquisition and for a period not exceeding 6 months after completion of construction of the Project; amounts which may be deposited in the Series 2009 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2009 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized; the acquisition or construction of the Project and the placing of same in operation; and the performance of the things herein required or permitted, in connection with any thereof, provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2009 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

D. The period of usefulness of the System after completion of the Project is not less than 20 years.

E. It is in the best interests of the Issuer that its Series 2009 A Bonds be sold to the Purchaser (as hereinafter defined) pursuant to this Bond Legislation.

F. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2009 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's: (i) Water Refunding Bonds, Series 1975, (United States Department of Agriculture), dated December 22, 1976, issued in the aggregate principal amount of \$450,000 (the "Series 1975 Bonds"); and (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the aggregate principal amount of \$2,200,000 (the "Series 1982 A Bonds"), (collectively, the "Prior Bonds").

The Series 2009 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2009 A Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) the written consent of the Holders of the Prior Bonds on a parity with the Series 2009 A Bonds. Prior to issuance of the Series 2009 A Bonds, the Issuer shall comply with the provisions of the Prior Ordinances for issuance of the Series 2009 A Bonds on a parity with the Series 2009 A Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all covenants of the Prior Bonds and Prior Ordinances.

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

H. The Issuer has complied with all requirements of West Virginia law relating to authorization of the acquisition and construction of the Project and the operation of the System and issuance of the Series 2009 A Bonds, or will have so complied prior to issuance of any thereof.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2009 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2009 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

“Act” means Chapter 8, Article 19 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

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

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

“Bond Legislation,” “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 Series 2009 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another ordinance of the Issuer.

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

“Closing Date” means the date upon which there is an exchange of the Series 2009 A Bonds for all or a portion of the proceeds of the Series 2009 A Bonds.

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

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

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

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

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

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

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

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

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

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

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

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

“Investment Property” means

(A) any security (within the meaning of Section 165(g)(2)(A) or (B) of the Code),

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

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

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2009 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2009 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2009 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

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

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the costs, fees and expenses of the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

“Paying Agent” means the Commission or other entity or authority designated as such for the Series 2009 A Bonds in the Supplemental Resolution.

“Prior Bonds” means, collectively, the Series 1975 Bonds and the Series 1982 A Bonds.

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

“Private Business Use” means use directly or indirectly in a trade or business carried on by a natural person, including all persons “related” to such person within the meaning of Section 144(a)(3) of the Code, or in any activity carried on by a person other than a natural person, including all persons “related” to such person within the meaning of Section 144(a)(3) of the Code, excluding, however, use by a state or local governmental unit and use as a member of the general public. All of the foregoing shall be determined in accordance with the Code, including, without limitation, giving due regard to “incidental use,” if any, of the proceeds of the issue and/or proceeds used for “qualified improvements,” if any.

“Project” means the Project as described in Section 1.02B hereof.

“Purchaser” means the purchaser or purchasers of the Series 2009 A Bonds directly from the Issuer, designated as such in the Supplemental Resolution and its successors and assigns.

“Qualified Investments” means and includes any of the following:

(a) Government Obligations;

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

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

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

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

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

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

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

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

"Recorder" means the Recorder of the Issuer.

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

"Registrar" means the Bond Registrar.

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

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

“Reserve Accounts” means, collectively, the respective reserve accounts established for the Series 2009 A Bonds and the Prior Bonds.

“Reserve Requirement” means, collectively, the respective amount required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2009 A Bonds.

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

“Series 1975 Bonds” means the Issuer’s Water Refunding Bonds, Series 1975, (United States Department of Agriculture), dated December 22, 1976, issued in the aggregate principal amount of \$450,000.

“Series 1982 A Bonds” means the Issuer’s Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the aggregate principal amount of \$2,200,000.

“Series 2009 A Bonds” means Water Revenue Bonds, Series 2009 A of the Issuer, authorized by this Bond Legislation.

“Series 2009 A Bonds Construction Trust Fund” means the Series 2009 A Bonds Construction Trust Fund established by Section 5.01 hereof.

“Series 2009 A Bonds Reserve Account” means the Series 2009 A Bonds Reserve Account established by Section 5.02 hereof.

“Series 2009 A Bonds Reserve Requirement” means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2009 A Bonds in the then current or any succeeding year.

“Series 2009 A Bonds Sinking Fund” means the Series 2009 A Bonds Sinking Fund established by Section 5.02 hereof.

“Sinking Funds” means, collectively, the respective sinking funds established for the Series 2009 A Bonds and the Prior Bonds.

“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 2009 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2009 A Bonds, and not so included may be included in another Supplemental Resolution.

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

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

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

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

ARTICLE II

**AUTHORIZATION OF ACQUISITION AND CONSTRUCTION
OF THE PROJECT**

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of not to exceed \$1,500,000, in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2009 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project.

The cost of the Project is estimated not to exceed \$1,500,000, which will be obtained from proceeds of the Series 2009 A Bonds.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2009 A Bonds, funding a reserve account for the Series 2009 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2009 A Bonds of the Issuer. The Series 2009 A Bonds shall be issued as a single bond, designated "Water Revenue Bonds, Series 2009 A", in the principal amount of not more than \$1,500,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2009 A Bonds remaining after funding of the Series 2009 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest on the Series 2009 A Bonds, if any, shall be deposited in or credited to the Series 2009 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2009 A Bonds shall be issued in such principal amounts; shall bear interest at such rate or rates, not exceeding the then legal maximum, payable on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution. The Series 2009 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2009 A Bonds shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Purchaser is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2009 A Bonds shall initially be issued in the form of a single bond, fully registered to the Purchaser, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2009 A Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2009 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Purchaser shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2009 A Bonds shall be executed in the name of the Issuer by the Mayor, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Recorder. In case any one or more of the officers who shall have signed or sealed the Series 2009 A Bonds shall cease to be such officer of the Issuer before the Series 2009 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2009 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of the authorization of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2009 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the form set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2009 A Bond shall be deemed to have been executed by the Bond Registrar if ~~manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary~~ that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2009 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2009 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2009 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Series 2009 A Bonds.

The registered Series 2009 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2009 A Bonds or transferring the registered Series 2009 A Bonds are exercised, all Series 2009 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2009 A Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2009 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Series 2009 A Bonds during the period

commencing on the 15th day of the month next preceding an interest payment date on the Series 2009 A Bonds or, in the case of any proposed redemption of Series 2009 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2009 A 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 2009 A Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Gross Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2009 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2009 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Positions with respect to Prior Bonds. The payment of the debt service of all Series 2009 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the operation of the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. Such Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Series 2009 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as the same become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2009 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2009 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Purchaser, a list of the names in which the Series 2009 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2009 A Bonds to the Purchaser;

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

D. The unqualified approving opinion of bond counsel on the Series 2009 A Bonds.

Section 3.10. Sale of Bonds. The Series 2009 A Bonds shall be sold to the Purchaser, pursuant to this Bond Legislation.

Section 3.11. Form of Bonds. The text of the Series 2009 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2009 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2009 A

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: This ____ day of _____, 2009, that the City of Lewisburg, a municipal corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of:

(Purchaser)

or registered assigns (the "Registered Owner"), the principal sum of _____ (\$ _____) 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 together with interest only payable monthly on the outstanding principal amounts beginning _____, 2009 to and including _____, 20__ and principal and interest payments of \$ _____ payable monthly beginning _____, 20__ to and including _____, 20__ at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of ____% per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Note shall be payable at the rate of ____% per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Note is asserted, declared or determined to be includible in gross income for federal income tax purposes, and shall continue until the entire principal of and interest on this Note are paid, notwithstanding that the entire principal amount of this Note may have been paid in full prior to the Determination of Taxability. Any interest being past

due on this Note by reason of such increase shall become immediately due and payable.

The principal of and interest on this Note are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia as Paying Agent.

This Bond may only be redeemed prior to its stated date of maturity in whole on a scheduled payment date with a prepayment penalty of 1%.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing waterworks system of the Issuer (the "Project"); (ii) to fund the Series 2009 A Bonds Reserve Account; and (iii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2009, and a Supplemental Resolution duly adopted by the Issuer on _____, 2009 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) WATER REFUNDING BONDS, SERIES 1975, (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED DECEMBER 22, 1976, ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$450,000 (THE "SERIES 1975 BONDS"); AND (II) WATER REVENUE BONDS, SERIES 1982 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED OCTOBER 5, 1982, ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,200,000 (THE "SERIES 1982 A BONDS"), (COLLECTIVELY, THE "PRIOR BONDS")

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2009 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross 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 Gross Revenues, the monies in the Series 2009 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount

payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2009 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

This Bond is hereby designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond is, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, except inheritance, estate and transfer taxes.

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

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

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

[SEAL]

Mayor

ATTEST:

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2009 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2009.

as Registrar

Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

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

TOTAL \$ _____

(Form of)

ASSIGNMENT

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

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

Dated: _____, _____.

In the presence of:

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

- (1) Revenue Fund (established by the Prior Ordinances);
- (2) Renewal and Replacement Fund (established as Depreciation Reserve by the Prior Ordinances and hereby renamed and continued);
- (3) Reserve Account (established by the Prior Ordinances for the Prior Bonds); and
- (4) Series 2009 A Bonds Construction Trust Fund.

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

- (1) Series 2009 A Bonds Sinking Fund; and
- (2) Series 2009 A Bonds Reserve Account.

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

(1) The Issuer shall first, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to (i) the National Finance Office the amounts required by the Prior Ordinances to pay interest on the Prior Bonds; and (ii) the Commission commencing the first date of payment of interest on the Series 2009 A Bonds the required amount of interest coming due on such date.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to (i) the National Finance Office the amounts required by the

Prior Ordinances to pay the principal of the Prior Bonds; and (ii) the Commission commencing the first date of payment of principal of the Series 2009 A Bonds, to the Commission the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to (i) the Depository Bank the amount required by the Prior Ordinances for deposit in the respective Reserve Accounts of the Prior Bonds; and (ii) to the Commission commencing 3 months prior to the first date of payment of principal of the Series 2009 A Bonds, if not fully funded upon issuance of the Series 2009 A Bonds, for deposit in the Series 2009 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2009 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2009 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2009 A Bonds Reserve Requirement.

(4) The Issuer shall next each month, pay from the Revenue Fund the current Operating Expenses of the System

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, an amount equal to 2 ½% of the Gross Revenues each month (as previously set forth in the Prior Ordinances and not in addition thereto), exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, repairs, improvements or extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such accounts have not, as of the date of determination of a deficiency, funded such accounts to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2009 A Bonds Sinking Fund and the Series 2009 A Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2009 A Bonds as the same shall come due and for no other purpose.

All investment earnings on monies in the Series 2009 A Bonds Sinking Fund and the Series 2009 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2009 A Bonds Construction Trust Fund, and following completion of

construction of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2009 A Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2009 A Bonds Reserve Account which result in a reduction in the balance of the Series 2009 A Bonds Reserve Account to below the Series 2009 A Bonds Reserve Requirement shall be subsequently restored from the first Gross Revenues available after all required payments have been made in full in the priority as set forth above.

As and when additional Bonds ranking on a parity with the Series 2009 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement therefor.

The Issuer shall not be required to make any further payments into the Series 2009 A Bonds Reserve Account therein when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2009 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest to accrue until the maturity thereof.

Principal, interest or reserve payments, whether for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2009 A 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 2009 A Bonds Reserve Account created hereunder, and all required amounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein.

Monies in the Series 2009 A Bonds Sinking Fund and the Series 2009 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2009 A Bonds Sinking Fund and the Series 2009 A Bonds Reserve Account therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2009 A Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall, on the first day of each month (if the first day is not a business day, then the first business day of each month), deposit with the Commission the required reserve account payments with respect to the Series 2009 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

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

D. 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.

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

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

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

H. 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 monies received from the sale of the Series 2009 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. The entire principal amount of the Series 2009 A Bonds shall be deposited in the Series 2009 A Bonds Construction Trust Fund.

B. From the proceeds of the Series 2009 A Bonds, there shall be deposited with the Commission in the Series 2009 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution for capitalizing interest on the Series 2009 A Bonds.

C. From the proceeds of the Series 2009 A Bonds, there shall be deposited with the Commission in the Series 2009 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2009 A Bonds Reserve Account.

~~D. As the Issuer receives advances from the Series 2009 A Bonds Construction Fund such monies shall be applied solely to payment of Costs of the Project as directed by the Issuer in the manner set forth in Section 6.02 hereof, and until expended, are hereby pledged as additional security for the Series 2009 A Bonds.~~

Section 6.02. Disbursements From the Series 2009 A Bonds Construction Trust Fund. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2009 A Bonds Construction Trust Fund shall be made only after submission to the Purchaser of written approval from the Issuer.

Pending such application, monies in the Series 2009 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2009 A Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2009 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2009 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2009 A Bonds shall not be nor constitute a corporate indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of any Series 2009 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2009 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Positions with Respect to Prior Bonds. The payment of the debt service of the Series 2009 A Bonds shall be secured forthwith equally and ratably by a first lien on the Gross Revenues derived from the System, on a parity with the lien on the Gross Revenues in favor of the Holders of the Prior Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest, if any, on the Prior Bonds and the Series 2009 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Bond Legislation. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the water rate ordinance of the Issuer dated February 19, 2002, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2009 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Bond Legislation. In the event the schedule of rates and charges initially established for the System in connection with the Series 2009 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation, 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.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinances. So long as the Series 2009 A Bonds are outstanding, the Issuer shall not sell or dispose of all, or substantially all, of the System without either defeasing, or paying in full, the Series 2009 A Bonds.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2009 A Bonds and the Prior Bonds. All obligations issued by the Issuer after the issuance of the Series 2009 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on and source of and security for payment from such revenues and in all other respects, to the Series 2009 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, ~~any debt, lien, pledge, assignment, encumbrance or any other charge having priority~~ over or being on a parity with the lien of the Series 2009 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2009 A Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinances shall be applicable.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2009 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of design, acquisition or construction of additions, extensions, betterments or improvements to the System, refunding any or all outstanding Bonds to pay claims which may exist against the revenues or facilities of the System, or all such purposes.

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

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the

provisions contained in this Bond Legislation then Outstanding; and

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the additional customers to be connected to the System as a result of additions, extensions and improvements thereto, or from any increase in rates enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to the date of issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Consulting Engineers, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period hereinabove referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which has expired (without successful appeal) prior to the issuance of such Parity Bonds. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets.

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 Gross Revenues of the System and their source of and security for payment from said Gross Revenues, without preference of any Bond of one series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior lien of the Series 2009 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the 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 2009 A Bonds.

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

No additional bonds, notes, certificates, contracts or any other obligations shall

be issued by the City unless no Event of Default shall have occurred and be continuing with respect to the Bonds.

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 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 and the Act. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Issuer. The 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 Issuer shall be reported to such agent of the Issuer as the Issuer shall direct.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto), and shall mail and make available generally, the report of said Independent Certified Public Accountants, to any Holder or Holders of the Series 2009 A Bonds.

Subject to the terms, conditions and provisions of 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.

Section 7.09. Rates. Prior to the issuance of the Series 2009 A Bonds, equitable rates or charges for the use of and service rendered by the System have been established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Recorder, which copies will be open to inspection by all interested parties. The schedule or schedules 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 or schedules 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 or schedules 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 2009 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2009 A Bonds, including the Prior Bonds so; provided that, in the amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2009 A Bonds Reserve Account and any Reserve Accounts for obligations on a parity with or junior to the Series 2009 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, ~~such balance each year need only equal at least 110% of the maximum amount required in any~~ year for payment of principal of and interest, if any, on the Series 2009 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2009 A Bonds.

All such rates and charges, if not paid when due, shall constitute a lien upon the premises served by the System. For purposes of this test, the terms "Gross Revenues" and "Net Revenues" shall not include proceeds from the sale of capital assets. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04 hereof.

The Issuer hereby covenants to commence enactment of such ordinance or ordinances as shall be required to increase the rates and charges for the services and facilities of the System within 30 days following a determination of the Issuer that less than the above-required coverage, such increase to provide rates and charges sufficient to produce such required coverage.

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.

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

The Issuer shall provide and maintain competent and adequate engineering services 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.

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

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

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

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2009 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE,

on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the prime contractor and all subcontractors as their respective interests may appear, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Issuer, the contractors and subcontractors, as their interests may appear.

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

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

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

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

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

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

The Issuer shall also require all contractors engaged in the construction of the Project to carry such worker's compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project. The Issuer shall verify such insurance prior to commencement of construction. Such insurance shall be made payable to the order of the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Connections. To the extent permitted by the laws of the State and rules and regulations of the Public Service Commission of West Virginia, the Issuer shall require every owner, tenant or occupant of any house, dwelling or building intended to be served by the System to connect thereto.

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

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project.

Section 7.18. Compliance with Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Act.

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

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

A. PRIVATE BUSINESS USE LIMITATION. The Issuer shall assure that (I) not in excess of 10% of the Net Proceeds of the Series 2009 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2009 A Bonds during the term thereof is, under the terms of the Series 2009 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2009 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2009 A Bonds during the

term thereof is, under the terms of the Series 2009 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2009 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2009 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% or \$5,000,000 of the Net Proceeds of the Series 2009 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2009 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2009 A Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e) of the Code.

E. FURTHER ACTIONS. The Issuer will take any and all actions that may be required of it so that the interest on the Series 2009 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions, or fail to take any actions the result of which would adversely affect such exclusion.

Section 7.20 Reserved.

Section 7.21. Contracts. The Issuer shall, simultaneously with the delivery of the Series 2009 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

Section 7.22. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2009 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2009 A Bonds, and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

ARTICLE VIII

INVESTMENT OF FUNDS; NON ARBITRAGE

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year (or more often 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 Series 2009 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 2009 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2009 A Bonds which would cause the Series 2009 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2009 A Bonds) so that the interest on the Series 2009 A Bonds will be and remain excludable from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Designation of Series 2009 A Bonds as "Qualified Tax-Exempt Obligations." The Issuer hereby designates the Series 2009 A Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3)(B) of the Code and covenants that the Series 2009 A Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income

tax purposes (excluding, however, obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not exceed the amount of the refunded obligation and private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2009 A Bonds, have been or shall be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2009, all as determined in accordance with the Code

If the Issuer is subject to the rebate requirements of Section 148(f) of the Code, and not exempted from such requirements, the Issuer covenants to calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Purchaser, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and shall be used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. ~~In the event that there are any amounts remaining in the Rebate Fund following~~ all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Purchaser in preparing rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Purchaser at the expense of the Issuer. The Issuer may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer may deem appropriate in order to assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay the required rebate amount, any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2009 A Bonds from gross income for federal income tax purposes.

The Issuer shall furnish to the Purchaser, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Purchaser.

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 2009 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2009 A Bonds;
or

(2) If default occurs in the Issuer’s observance of any of the covenants, agreements or conditions on its part relating to the Series 2009 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2009 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

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

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds; (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the Holders of the Series 2009 A Bonds shall be on a parity with the Prior Bonds.

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

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

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

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

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2009 A Bonds, the principal of and interest due or to become due thereon, if any, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Gross Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2009 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2009 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2009 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2009 A Bonds, no material modification or amendment of this Ordinance, or of any ordinance, resolution or order amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2009 A Bonds, shall be made without the consent in writing of the Registered Owners of the Series 2009 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2009 A Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2009 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2009 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance, the Supplemental Resolution or the Series 2009 A Bonds.

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

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

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

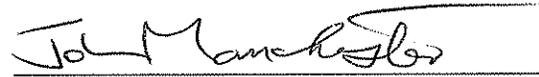
Section 11.07. Appointment. The Issuer does hereby appoint, designate and approve the hiring of Steptoe & Johnson, Clarksburg, West Virginia, as bond counsel to the Issuer in connection with the issuance by the Issuer of the Series 2009 A Bonds.

Section 11.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance determined by the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for 2 successive weeks within a period of fourteen consecutive days, with at least 6 full days intervening between each publication, in The West Virginia Daily News, a qualified newspaper of general circulation in the City of Lewisburg, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the Series 2009 A Bonds, and that any person interested may appear before the Governing Body upon a date certain, not less than ten days subsequent to the date of the first publication of such abstract of this Ordinance and notice, and present protests, and that a certified copy of this Ordinance is on file with the Governing Body for review by interested persons during office hours of the Governing Body. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Section 11.09. Effective Date. This Ordinance shall take effect immediately following the public hearing and final reading hereof.

[Remainder of Page Intentionally Blank]

Passed on First Reading: - March 17, 2009
Passed on Second Reading: - March 24, 2009
Passed on Final Reading
Following Public
Hearing: - April 14, 2009



Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the City of Lewisburg on the 14th day of April, 2009.

Dated: May 22, 2009.

[SEAL]

Shannon Kinneman, CMC
Recorder

05.12.09

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2009 A OF THE CITY OF LEWISBURG; AND THE SALE AND DELIVERY OF SUCH BONDS TO THE BRANCH BANKING AND TRUST COMPANY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the City of Lewisburg (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective April 14, 2009 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF THE CITY OF LEWISBURG AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2009 A; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of Water Revenue Bonds, Series 2009 A, of the Issuer (the "Bonds" or the "Series 2009 A Bonds"), in an aggregate principal amount not to exceed \$1,500,000, all in accordance with Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), and in the Bond Ordinance it is provided that the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

WHEREAS, it is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2009 A (the "Bonds") in an aggregate principal amount of not more than \$1,000,000, to finance the costs of acquisition and construction of the Project and costs of issuance of the Bonds and related costs;

WHEREAS, the Bonds are proposed to be purchased by Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser"); and

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

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

Section 1. Pursuant to the Bond Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2009 A, of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$1,000,000. The Series 2009 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2029, and shall bear interest at the rate of 4.51% per annum. Principal and interest payments of \$6,339.83 on the Series 2009 A Bonds shall be payable monthly commencing July 1, 2009 to and including June 1, 2029. The Series 2009 A Bonds may only be prepaid prior to its stated date of maturity in whole on a scheduled payment date with a prepayment penalty of 1.0%.

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

Section 3. The Bonds shall be sold to Branch Banking and Trust Company, Charleston, West Virginia, and shall be registered in the name of such bank. The price of the Bonds shall be 100% of par value, there being no accrued interest accrued thereon.

Section 4. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

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

Section 6. Series 2009 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2009 A Bonds Sinking Fund as capitalized interest.

Section 7. Series 2009 A Bonds proceeds in the amount of \$75,982 shall be deposited in the Series 2009 A Bonds Reserve Account.

Section 8. The balance of the proceeds of the Series 2009 A Bonds shall be deposited in or credited to the Series 2009 A Bond Construction Trust Fund and advanced to the Issuer from time to time for payment of the costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 9. The Issuer hereby designates the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), and covenants that the Bonds do not constitute private activity bonds as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income tax purposes (excluding, however, private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Bonds, have been or are reasonably anticipated to be issued by the Issuer, including all subordinate entities of the Issuer, during the calendar year 2009.

Section 10. The Issuer is a governmental unit and has general taxing powers; no Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 2007, the calendar year in which the Bonds are issued, is not reasonably expected to exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code. For purposes of this paragraph and for purposes of applying such Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as

one issuer. Therefore, the Issuer qualifies for the small governmental issuer exception to rebate.

Section 11. The Mayor and the Recorder are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Bonds may be delivered on or about May 22, 2009, to the Purchaser.

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

Section 13. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

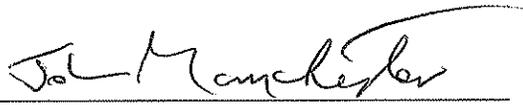
Section 14. The Issuer hereby determines to invest all monies in the funds and accounts established by the Bond Ordinance held by the Depository Bank until expended, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Monies in the Series 2009 A Bonds Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 15. This Supplemental Resolution shall be effective immediately following adoption hereof.

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Adopted this 12th day of May, 2009.

CITY OF LEWISBURG

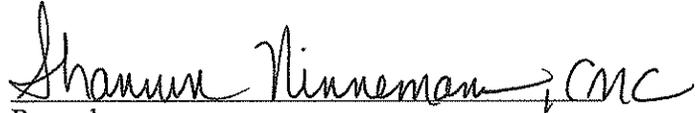
By: 
Its: Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Lewisburg on the 12th day of May, 2009.

Dated: May 22, 2009.

[SEAL]


Recorder

05.12.09
522450.00003

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

The undersigned authorized representative of Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser"), and the undersigned Mayor of the City of Lewisburg (the "Issuer"), hereby certify this 22nd day of May, 2009 as follows:

1. On May 22, 2009, at Lewisburg, West Virginia, the Purchaser received the City of Lewisburg Water Revenue Bonds, Series 2009 A, No. AR-1 (the "Bonds"), issued as a single Bond in the principal amount of \$1,000,000, dated May 22, 2009. The Bonds represent the entire above-captioned Bond issue.

2. At the time of such receipt, the Bonds had been executed and sealed by the designated officials of the Issuer.

3. The Issuer has received and hereby acknowledges receipt from the Purchaser of the sum of \$100,232, being the initial advance of principal amount of the Bonds.

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

[Remainder of Page Intentionally Left Blank]

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

BRANCH BANKING AND TRUST COMPANY

By: *Russell R. Obermiller*
Its: Authorized Officer

CITY OF LEWISBURG

By: *J. S. Manchester*
Its: Mayor

05.12.09
522450.00003

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Branch Banking and Trust Company
as Registrar
Charleston, West Virginia

Ladies and Gentlemen:

As of the 22nd day of May, 2009, there are delivered to you herewith as Registrar for the above-captioned Bonds:

1. Bond No. AR-1, constituting the entire original issue of the City of Lewisburg Water Revenue Bonds, Series 2009 A, dated May 22, 2009, in the principal amount of \$1,000,000 (the "Bonds"), executed by the Mayor and the Recorder of the City of Lewisburg (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to a Bonds Ordinance enacted by the Issuer on April 14, 2009, and a Supplemental Resolution adopted by the Issuer on May 12, 2009 (collectively, the "Ordinance").

2. A copy of the Ordinance duly certified by the Recorder.

3. A signed, unqualified approving opinion of nationally recognized bond counsel designated by the Issuer and acceptable to the Purchaser.

You are hereby requested and authorized to authenticate, register and deliver the Bonds to Branch Banking and Trust Company, Charleston, West Virginia, as the Purchaser thereof.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

CITY OF LEWISBURG

By: Joe Manchester
Its: Mayor

05.12.09
522450.00003

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2009 A

No. AR-1

\$1,000,000

KNOW ALL MEN BY THESE PRESENTS: This 22nd day of May, 2009, that the City of Lewisburg, a municipal corporation and political subdivision of the State of West Virginia in Greenbrier County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner hereinafter set forth, to the order of:

~~BRANCH BANKING & TRUST COMPANY~~

or registered assigns (the "Registered Owner"), the principal sum of ONE MILLION DOLLARS (\$1,000,000) or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference together with principal and interest payments of \$6,339.83 payable monthly beginning July 1, 2009 to and including June 1, 2029 at the rates per annum set forth as follows:

A. Interest on this Bond shall be payable at the rate of 4.51% per annum (hereinafter sometimes called the "Tax-Exempt Rate").

B. Notwithstanding any other provision herein, in the event the interest on this Bond is declared to be includible in gross income for federal income tax purposes by the Internal Revenue Service ("Determination of Taxability"), interest on this Note shall be payable at the rate of 6.895% per annum (hereinafter sometimes called the "Taxable Rate"). Interest at the Taxable Rate shall commence to accrue on the date of Determination of Taxability and such interest rate shall be charged retroactively and prospectively for all periods in which interest paid on this Note is asserted, declared or determined to be includible in gross income for federal income tax purposes, and shall continue until the entire principal of and interest on this Note are paid, notwithstanding that the entire principal amount of this Note may have been paid in full prior to the Determination of Taxability. Any interest being past due on this Note by reason of such increase shall become immediately due and payable.

The principal of and interest on this Note are payable in any coin or currency which on the date of payment thereof is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia as Paying Agent.

This Bond may only be redeemed prior to its stated date of maturity in whole on a scheduled payment date with a prepayment penalty of 1%.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing waterworks system of the Issuer (the "Project"); (ii) to fund the Series 2009 A Bonds Reserve Account; and (iii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public water system of the Issuer, the Project, and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), a Bond Ordinance duly enacted by the Issuer on April 14, 2009, and a Supplemental Resolution duly adopted by the Issuer on May 12, 2009 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THIS BOND IS ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S: (I) WATER REFUNDING BONDS, SERIES 1975, (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED DECEMBER 22, 1976, ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$450,000 (THE "SERIES 1975 BONDS"); AND (II) WATER REVENUE BONDS, SERIES 1982 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED OCTOBER 5, 1982, ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,200,000 (THE "SERIES 1982 A BONDS") (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Gross Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Gross Revenues in favor of the Holders of the Prior Bonds, and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2009 A Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Gross 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 Gross Revenues, the monies in the Series 2009 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2009 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective

reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

This Bond is hereby designated a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

This Bond is, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, except inheritance, estate and transfer taxes.

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

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

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

[SEAL]

John Marshall
Mayor

SPECIMEN

ATTEST:

Shannon Nunez
Recorder

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2009 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: May 22, 2009.

BRANCH BANKING & TRUST COMPANY
as Registrar

Russell R. Ober
Authorized Officer

SPECIMEN

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$100,232	May 22, 2009	(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL \$ _____

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

In the presence of:

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Compound Period : Monthly

Nominal Annual Rate : 4.510 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	05/22/2009	1,000,000.00	1		
2 Payment	07/01/2009	6,339.83	240	Monthly	06/01/2029

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	05/22/2009				1,000,000.00
2009 Totals		0.00	0.00	0.00	
1	07/01/2009	6,339.83	5,015.82	1,324.01	998,675.99
2	08/01/2009	6,339.83	3,753.36	2,586.47	996,089.52
3	09/01/2009	6,339.83	3,743.64	2,596.19	993,493.33
4	10/01/2009	6,339.83	3,733.88	2,605.95	990,887.38
5	11/01/2009	6,339.83	3,724.09	2,615.74	988,271.64
6	12/01/2009	6,339.83	3,714.25	2,625.58	985,646.06
7	01/01/2010	6,339.83	3,704.39	2,635.44	983,010.62
8	02/01/2010	6,339.83	3,694.48	2,645.35	980,365.27
9	03/01/2010	6,339.83	3,684.54	2,655.29	977,709.98
10	04/01/2010	6,339.83	3,674.56	2,665.27	975,044.71
11	05/01/2010	6,339.83	3,664.54	2,675.29	972,369.42
12	06/01/2010	6,339.83	3,654.49	2,685.34	969,684.08
2010 Totals		76,077.96	45,762.04	30,315.92	
13	07/01/2010	6,339.83	3,644.40	2,695.43	966,988.65
14	08/01/2010	6,339.83	3,634.27	2,705.56	964,283.09
15	09/01/2010	6,339.83	3,624.10	2,715.73	961,567.36
16	10/01/2010	6,339.83	3,613.89	2,725.94	958,841.42
17	11/01/2010	6,339.83	3,603.65	2,736.18	956,105.24
18	12/01/2010	6,339.83	3,593.36	2,746.47	953,358.77
19	01/01/2011	6,339.83	3,583.04	2,756.79	950,601.98
20	02/01/2011	6,339.83	3,572.68	2,767.15	947,834.83
21	03/01/2011	6,339.83	3,562.28	2,777.55	945,057.28
22	04/01/2011	6,339.83	3,551.84	2,787.99	942,269.29
23	05/01/2011	6,339.83	3,541.36	2,798.47	939,470.82
24	06/01/2011	6,339.83	3,530.84	2,808.99	936,661.83
2011 Totals		76,077.96	43,055.71	33,022.25	
25	07/01/2011	6,339.83	3,520.29	2,819.54	933,842.29
26	08/01/2011	6,339.83	3,509.69	2,830.14	931,012.15
27	09/01/2011	6,339.83	3,499.05	2,840.78	928,171.37
28	10/01/2011	6,339.83	3,488.38	2,851.45	925,319.92

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
	29 11/01/2011	6,339.83	3,477.66	2,862.17	922,457.75
	30 12/01/2011	6,339.83	3,466.90	2,872.93	919,584.82
	31 01/01/2012	6,339.83	3,456.11	2,883.72	916,701.10
	32 02/01/2012	6,339.83	3,445.27	2,894.56	913,806.54
	33 03/01/2012	6,339.83	3,434.39	2,905.44	910,901.10
	34 04/01/2012	6,339.83	3,423.47	2,916.36	907,984.74
	35 05/01/2012	6,339.83	3,412.51	2,927.32	905,057.42
	36 06/01/2012	6,339.83	3,401.51	2,938.32	902,119.10
	2012 Totals	76,077.96	41,535.23	34,542.73	
	37 07/01/2012	6,339.83	3,390.46	2,949.37	899,169.73
	38 08/01/2012	6,339.83	3,379.38	2,960.45	896,209.28
	39 09/01/2012	6,339.83	3,368.25	2,971.58	893,237.70
	40 10/01/2012	6,339.83	3,357.09	2,982.74	890,254.96
	41 11/01/2012	6,339.83	3,345.87	2,993.96	887,261.00
	42 12/01/2012	6,339.83	3,334.62	3,005.21	884,255.79
	43 01/01/2013	6,339.83	3,323.33	3,016.50	881,239.29
	44 02/01/2013	6,339.83	3,311.99	3,027.84	878,211.45
	45 03/01/2013	6,339.83	3,300.61	3,039.22	875,172.23
	46 04/01/2013	6,339.83	3,289.19	3,050.64	872,121.59
	47 05/01/2013	6,339.83	3,277.72	3,062.11	869,059.48
	48 06/01/2013	6,339.83	3,266.22	3,073.61	865,985.87
	2013 Totals	76,077.96	39,944.73	36,133.23	
	49 07/01/2013	6,339.83	3,254.66	3,085.17	862,900.70
	50 08/01/2013	6,339.83	3,243.07	3,096.76	859,803.94
	51 09/01/2013	6,339.83	3,231.43	3,108.40	856,695.54
	52 10/01/2013	6,339.83	3,219.75	3,120.08	853,575.46
	53 11/01/2013	6,339.83	3,208.02	3,131.81	850,443.65
	54 12/01/2013	6,339.83	3,196.25	3,143.58	847,300.07
	55 01/01/2014	6,339.83	3,184.44	3,155.39	844,144.68
	56 02/01/2014	6,339.83	3,172.58	3,167.25	840,977.43
	57 03/01/2014	6,339.83	3,160.67	3,179.16	837,798.27
	58 04/01/2014	6,339.83	3,148.73	3,191.10	834,607.17
	59 05/01/2014	6,339.83	3,136.73	3,203.10	831,404.07
	60 06/01/2014	6,339.83	3,124.69	3,215.14	828,188.93
	2014 Totals	76,077.96	38,281.02	37,796.94	
	61 07/01/2014	6,339.83	3,112.61	3,227.22	824,961.71
	62 08/01/2014	6,339.83	3,100.48	3,239.35	821,722.36
	63 09/01/2014	6,339.83	3,088.31	3,251.52	818,470.84
	64 10/01/2014	6,339.83	3,076.09	3,263.74	815,207.10
	65 11/01/2014	6,339.83	3,063.82	3,276.01	811,931.09
	66 12/01/2014	6,339.83	3,051.51	3,288.32	808,642.77
	67 01/01/2015	6,339.83	3,039.15	3,300.68	805,342.09
	68 02/01/2015	6,339.83	3,026.74	3,313.09	802,029.00
	69 03/01/2015	6,339.83	3,014.29	3,325.54	798,703.46
	70 04/01/2015	6,339.83	3,001.79	3,338.04	795,365.42

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
	71 05/01/2015	6,339.83	2,989.25	3,350.58	792,014.84
	72 06/01/2015	6,339.83	2,976.66	3,363.17	788,651.67
	2015 Totals	76,077.96	36,540.70	39,537.26	
	73 07/01/2015	6,339.83	2,964.02	3,375.81	785,275.86
	74 08/01/2015	6,339.83	2,951.33	3,388.50	781,887.36
	75 09/01/2015	6,339.83	2,938.59	3,401.24	778,486.12
	76 10/01/2015	6,339.83	2,925.81	3,414.02	775,072.10
	77 11/01/2015	6,339.83	2,912.98	3,426.85	771,645.25
	78 12/01/2015	6,339.83	2,900.10	3,439.73	768,205.52
	79 01/01/2016	6,339.83	2,887.17	3,452.66	764,752.86
	80 02/01/2016	6,339.83	2,874.20	3,465.63	761,287.23
	81 03/01/2016	6,339.83	2,861.17	3,478.66	757,808.57
	82 04/01/2016	6,339.83	2,848.10	3,491.73	754,316.84
	83 05/01/2016	6,339.83	2,834.97	3,504.86	750,811.98
	84 06/01/2016	6,339.83	2,821.80	3,518.03	747,293.95
	2016 Totals	76,077.96	34,720.24	41,357.72	
	85 07/01/2016	6,339.83	2,808.58	3,531.25	743,762.70
	86 08/01/2016	6,339.83	2,795.31	3,544.52	740,218.18
	87 09/01/2016	6,339.83	2,781.99	3,557.84	736,660.34
	88 10/01/2016	6,339.83	2,768.62	3,571.21	733,089.13
	89 11/01/2016	6,339.83	2,755.19	3,584.64	729,504.49
	90 12/01/2016	6,339.83	2,741.72	3,598.11	725,906.38
	91 01/01/2017	6,339.83	2,728.20	3,611.63	722,294.75
	92 02/01/2017	6,339.83	2,714.62	3,625.21	718,669.54
	93 03/01/2017	6,339.83	2,701.00	3,638.83	715,030.71
	94 04/01/2017	6,339.83	2,687.32	3,652.51	711,378.20
	95 05/01/2017	6,339.83	2,673.60	3,666.23	707,711.97
	96 06/01/2017	6,339.83	2,659.82	3,680.01	704,031.96
	2017 Totals	76,077.96	32,815.97	43,261.99	
	97 07/01/2017	6,339.83	2,645.99	3,693.84	700,338.12
	98 08/01/2017	6,339.83	2,632.10	3,707.73	696,630.39
	99 09/01/2017	6,339.83	2,618.17	3,721.66	692,908.73
	100 10/01/2017	6,339.83	2,604.18	3,735.65	689,173.08
	101 11/01/2017	6,339.83	2,590.14	3,749.69	685,423.39
	102 12/01/2017	6,339.83	2,576.05	3,763.78	681,659.61
	103 01/01/2018	6,339.83	2,561.90	3,777.93	677,881.68
	104 02/01/2018	6,339.83	2,547.71	3,792.12	674,089.56
	105 03/01/2018	6,339.83	2,533.45	3,806.38	670,283.18
	106 04/01/2018	6,339.83	2,519.15	3,820.68	666,462.50
	107 05/01/2018	6,339.83	2,504.79	3,835.04	662,627.46
	108 06/01/2018	6,339.83	2,490.37	3,849.46	658,778.00
	2018 Totals	76,077.96	30,824.00	45,253.96	
	109 07/01/2018	6,339.83	2,475.91	3,863.92	654,914.08
	110 08/01/2018	6,339.83	2,461.39	3,878.44	651,035.64

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
111	09/01/2018	6,339.83	2,446.81	3,893.02	647,142.62
112	10/01/2018	6,339.83	2,432.18	3,907.65	643,234.97
113	11/01/2018	6,339.83	2,417.49	3,922.34	639,312.63
114	12/01/2018	6,339.83	2,402.75	3,937.08	635,375.55
115	01/01/2019	6,339.83	2,387.95	3,951.88	631,423.67
116	02/01/2019	6,339.83	2,373.10	3,966.73	627,456.94
117	03/01/2019	6,339.83	2,358.19	3,981.64	623,475.30
118	04/01/2019	6,339.83	2,343.23	3,996.60	619,478.70
119	05/01/2019	6,339.83	2,328.21	4,011.62	615,467.08
120	06/01/2019	6,339.83	2,313.13	4,026.70	611,440.38
2019 Totals		76,077.96	28,740.34	47,337.62	
121	07/01/2019	6,339.83	2,298.00	4,041.83	607,398.55
122	08/01/2019	6,339.83	2,282.81	4,057.02	603,341.53
123	09/01/2019	6,339.83	2,267.56	4,072.27	599,269.26
124	10/01/2019	6,339.83	2,252.25	4,087.58	595,181.68
125	11/01/2019	6,339.83	2,236.89	4,102.94	591,078.74
126	12/01/2019	6,339.83	2,221.47	4,118.36	586,960.38
127	01/01/2020	6,339.83	2,205.99	4,133.84	582,826.54
128	02/01/2020	6,339.83	2,190.46	4,149.37	578,677.17
129	03/01/2020	6,339.83	2,174.86	4,164.97	574,512.20
130	04/01/2020	6,339.83	2,159.21	4,180.62	570,331.58
131	05/01/2020	6,339.83	2,143.50	4,196.33	566,135.25
132	06/01/2020	6,339.83	2,127.72	4,212.11	561,923.14
2020 Totals		76,077.96	26,560.72	49,517.24	
133	07/01/2020	6,339.83	2,111.89	4,227.94	557,695.20
134	08/01/2020	6,339.83	2,096.00	4,243.83	553,451.37
135	09/01/2020	6,339.83	2,080.05	4,259.78	549,191.59
136	10/01/2020	6,339.83	2,064.05	4,275.78	544,915.81
137	11/01/2020	6,339.83	2,047.98	4,291.85	540,623.96
138	12/01/2020	6,339.83	2,031.85	4,307.98	536,315.98
139	01/01/2021	6,339.83	2,015.65	4,324.18	531,991.80
140	02/01/2021	6,339.83	1,999.40	4,340.43	527,651.37
141	03/01/2021	6,339.83	1,983.09	4,356.74	523,294.63
142	04/01/2021	6,339.83	1,966.72	4,373.11	518,921.52
143	05/01/2021	6,339.83	1,950.28	4,389.55	514,531.97
144	06/01/2021	6,339.83	1,933.78	4,406.05	510,125.92
2021 Totals		76,077.96	24,280.74	51,797.22	
145	07/01/2021	6,339.83	1,917.22	4,422.61	505,703.31
146	08/01/2021	6,339.83	1,900.60	4,439.23	501,264.08
147	09/01/2021	6,339.83	1,883.92	4,455.91	496,808.17
148	10/01/2021	6,339.83	1,867.17	4,472.66	492,335.51
149	11/01/2021	6,339.83	1,850.36	4,489.47	487,846.04
150	12/01/2021	6,339.83	1,833.49	4,506.34	483,339.70
151	01/01/2022	6,339.83	1,816.55	4,523.28	478,816.42
152	02/01/2022	6,339.83	1,799.55	4,540.28	474,276.14

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
153 03/01/2022	6,339.83	1,782.49	4,557.34	469,718.80
154 04/01/2022	6,339.83	1,765.36	4,574.47	465,144.33
155 05/01/2022	6,339.83	1,748.17	4,591.66	460,552.67
156 06/01/2022	6,339.83	1,730.91	4,608.92	455,943.75
2022 Totals	76,077.96	21,895.79	54,182.17	
157 07/01/2022	6,339.83	1,713.59	4,626.24	451,317.51
158 08/01/2022	6,339.83	1,696.20	4,643.63	446,673.88
159 09/01/2022	6,339.83	1,678.75	4,661.08	442,012.80
160 10/01/2022	6,339.83	1,661.23	4,678.60	437,334.20
161 11/01/2022	6,339.83	1,643.65	4,696.18	432,638.02
162 12/01/2022	6,339.83	1,626.00	4,713.83	427,924.19
163 01/01/2023	6,339.83	1,608.28	4,731.55	423,192.64
164 02/01/2023	6,339.83	1,590.50	4,749.33	418,443.31
165 03/01/2023	6,339.83	1,572.65	4,767.18	413,676.13
166 04/01/2023	6,339.83	1,554.73	4,785.10	408,891.03
167 05/01/2023	6,339.83	1,536.75	4,803.08	404,087.95
168 06/01/2023	6,339.83	1,518.70	4,821.13	399,266.82
2023 Totals	76,077.96	19,401.03	56,676.93	
169 07/01/2023	6,339.83	1,500.58	4,839.25	394,427.57
170 08/01/2023	6,339.83	1,482.39	4,857.44	389,570.13
171 09/01/2023	6,339.83	1,464.13	4,875.70	384,694.43
172 10/01/2023	6,339.83	1,445.81	4,894.02	379,800.41
173 11/01/2023	6,339.83	1,427.42	4,912.41	374,888.00
174 12/01/2023	6,339.83	1,408.95	4,930.88	369,957.12
175 01/01/2024	6,339.83	1,390.42	4,949.41	365,007.71
176 02/01/2024	6,339.83	1,371.82	4,968.01	360,039.70
177 03/01/2024	6,339.83	1,353.15	4,986.68	355,053.02
178 04/01/2024	6,339.83	1,334.41	5,005.42	350,047.60
179 05/01/2024	6,339.83	1,315.60	5,024.23	345,023.37
180 06/01/2024	6,339.83	1,296.71	5,043.12	339,980.25
2024 Totals	76,077.96	16,791.39	59,286.57	
181 07/01/2024	6,339.83	1,277.76	5,062.07	334,918.18
182 08/01/2024	6,339.83	1,258.73	5,081.10	329,837.08
183 09/01/2024	6,339.83	1,239.64	5,100.19	324,736.89
184 10/01/2024	6,339.83	1,220.47	5,119.36	319,617.53
185 11/01/2024	6,339.83	1,201.23	5,138.60	314,478.93
186 12/01/2024	6,339.83	1,181.92	5,157.91	309,321.02
187 01/01/2025	6,339.83	1,162.53	5,177.30	304,143.72
188 02/01/2025	6,339.83	1,143.07	5,196.76	298,946.96
189 03/01/2025	6,339.83	1,123.54	5,216.29	293,730.67
190 04/01/2025	6,339.83	1,103.94	5,235.89	288,494.78
191 05/01/2025	6,339.83	1,084.26	5,255.57	283,239.21
192 06/01/2025	6,339.83	1,064.51	5,275.32	277,963.89
2025 Totals	76,077.96	14,061.60	62,016.36	

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
193	07/01/2025	6,339.83	1,044.68	5,295.15	272,668.74
194	08/01/2025	6,339.83	1,024.78	5,315.05	267,353.69
195	09/01/2025	6,339.83	1,004.80	5,335.03	262,018.66
196	10/01/2025	6,339.83	984.75	5,355.08	256,663.58
197	11/01/2025	6,339.83	964.63	5,375.20	251,288.38
198	12/01/2025	6,339.83	944.43	5,395.40	245,892.98
199	01/01/2026	6,339.83	924.15	5,415.68	240,477.30
200	02/01/2026	6,339.83	903.79	5,436.04	235,041.26
201	03/01/2026	6,339.83	883.36	5,456.47	229,584.79
202	04/01/2026	6,339.83	862.86	5,476.97	224,107.82
203	05/01/2026	6,339.83	842.27	5,497.56	218,610.26
204	06/01/2026	6,339.83	821.61	5,518.22	213,092.04
2026 Totals		76,077.96	11,206.11	64,871.85	
205	07/01/2026	6,339.83	800.87	5,538.96	207,553.08
206	08/01/2026	6,339.83	780.05	5,559.78	201,993.30
207	09/01/2026	6,339.83	759.16	5,580.67	196,412.63
208	10/01/2026	6,339.83	738.18	5,601.65	190,810.98
209	11/01/2026	6,339.83	717.13	5,622.70	185,188.28
210	12/01/2026	6,339.83	696.00	5,643.83	179,544.45
211	01/01/2027	6,339.83	674.79	5,665.04	173,879.41
212	02/01/2027	6,339.83	653.50	5,686.33	168,193.08
213	03/01/2027	6,339.83	632.13	5,707.70	162,485.38
214	04/01/2027	6,339.83	610.67	5,729.16	156,756.22
215	05/01/2027	6,339.83	589.14	5,750.69	151,005.53
216	06/01/2027	6,339.83	567.53	5,772.30	145,233.23
2027 Totals		76,077.96	8,219.15	67,858.81	
217	07/01/2027	6,339.83	545.83	5,794.00	139,439.23
218	08/01/2027	6,339.83	524.06	5,815.77	133,623.46
219	09/01/2027	6,339.83	502.20	5,837.63	127,785.83
220	10/01/2027	6,339.83	480.26	5,859.57	121,926.26
221	11/01/2027	6,339.83	458.24	5,881.59	116,044.67
222	12/01/2027	6,339.83	436.13	5,903.70	110,140.97
223	01/01/2028	6,339.83	413.95	5,925.88	104,215.09
224	02/01/2028	6,339.83	391.68	5,948.15	98,266.94
225	03/01/2028	6,339.83	369.32	5,970.51	92,296.43
226	04/01/2028	6,339.83	346.88	5,992.95	86,303.48
227	05/01/2028	6,339.83	324.36	6,015.47	80,288.01
228	06/01/2028	6,339.83	301.75	6,038.08	74,249.93
2028 Totals		76,077.96	5,094.66	70,983.30	
229	07/01/2028	6,339.83	279.06	6,060.77	68,189.16
230	08/01/2028	6,339.83	256.28	6,083.55	62,105.61
231	09/01/2028	6,339.83	233.41	6,106.42	55,999.19
232	10/01/2028	6,339.83	210.46	6,129.37	49,869.82
233	11/01/2028	6,339.83	187.43	6,152.40	43,717.42
234	12/01/2028	6,339.83	164.30	6,175.53	37,541.89

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
235 01/01/2029	6,339.83	141.09	6,198.74	31,343.15
236 02/01/2029	6,339.83	117.80	6,222.03	25,121.12
237 03/01/2029	6,339.83	94.41	6,245.42	18,875.70
238 04/01/2029	6,339.83	70.94	6,268.89	12,606.81
239 05/01/2029	6,339.83	47.38	6,292.45	6,314.36
240 06/01/2029	6,339.83	25.47	6,314.36	0.00
2029 Totals	76,077.96	1,828.03	74,249.93	
Grand Totals	1,521,559.20	521,559.20	1,000,000.00	



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Writer's Contact Information

May 22, 2009

City of Lewisburg
Water Revenue Bonds, Series 2009 A

City of Lewisburg
Lewisburg, West Virginia

Branch Banking and Trust Company
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by the City of Lewisburg (the "Issuer"), a municipal corporation and political subdivision organized and existing under the laws of the State of West Virginia, of its \$1,000,000 Water Revenue Bonds, Series 2009 A, dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of the Bonds, which are to be purchased by Branch Banking and Trust Company (the "Purchaser"). The Bonds are originally issued in the form of one Bond, registered as to interest and principal to the Purchaser. The Bonds shall be dated May 22, 2009, and shall finally mature June 1, 2029, and shall bear interest at the rate of 4.51% per annum. Principal and interest payments shall be payable monthly commencing July 1, 2009, to and including June 1, 2029.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 19 of the West Virginia Code of 1931, as amended (the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public waterworks system of the Issuer (the "Project"); (ii) funding the Series 2009 A Bonds Reserve Account; and (iii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Ordinance duly enacted by the Issuer on April 14, 2009, as supplemented by a Supplemental Resolution duly adopted by the Issuer on May 12, 2009 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued. The Bonds are subject to redemption prior to maturity under the conditions and subject to the limitations set forth in the Bond Legislation. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation when used herein.

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

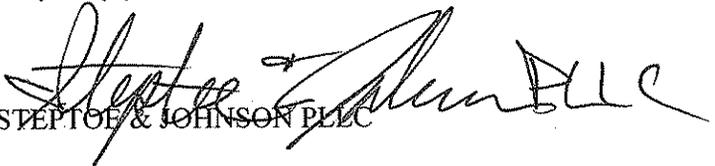
1. The Issuer is a duly created and validly existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to enact the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.
2. The Bond Legislation and all other necessary ordinances and resolutions have been duly and effectively enacted and adopted by the Issuer in connection with the issuance and sale of the Bonds and constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms.
3. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Purchaser and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Gross Revenues of the System and secured by a first lien on and pledge of the Gross Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's: ~~(i) Water Refunding Bonds, Series 1975, (United States Department of Agriculture), dated December 22, 1976, issued in the aggregate principal amount of \$450,000 (the "Series 1975 Bonds"); and (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the aggregate principal amount of \$2,200,000 (the "Series 1982 A Bonds"), (collectively, the "Prior Bonds").~~
4. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder (the "Code") and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Ordinance, and in certain certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds except as expressly set forth in paragraph 6.
5. The Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.
6. The Issuer has designated the Bonds as "qualified tax-exempt obligations" for purposes of the Code, and has covenanted that it does not reasonably expect to issue more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and obligations issued to currently refund any obligation of the Issuer to the extent the amount of the refunding obligation does not

exceed the outstanding amount of the refunded obligations) during the calendar year 2009. Therefore, the Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code.

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

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

Very truly yours,


STEPH & JOHNSON PLLC

JESSE O. GUILLS, JR. PLLC

Attorney at Law

117 North Court Street
Lewisburg, West Virginia 24901-1101

Phone: (304) 645-3313 Fax: (304) 645-3314
Email: www.info@guillslaw.com

May 22, 2009

City of Lewisburg
Water Revenue Bonds, Series 2009A

City of Lewisburg
Lewisburg, West Virginia

Branch Banking & Trust Company
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I am counsel to the City of Lewisburg, in Greenbrier County, West Virginia (the "Issuer"), in connection with the issuance and sale of the above-captioned bonds (the "Bonds"). As such counsel, I have reviewed copies of the commitment letter dated April 10, 2009, from Branch Banking & Trust Company, Charleston, West Virginia (the "Purchaser"), the Bonds Ordinance of the Issuer duly enacted April 14, 2009, as supplemented by the Supplemental Resolution of the Issuer duly adopted May 12, 2009 (collectively, the "Ordinance"), and other documents relating to the Bonds. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Ordinance when used herein.

I am of the opinion that:

1. The Issuer has been duly created and is validly existing as a municipal corporation and political subdivision of the State of West Virginia.
2. The Mayor, Recorder, and members of the Council of the Issuer have been duly, lawfully and properly elected or appointed, as applicable, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.
3. The Ordinance has been duly adopted and enacted by the Issuer, is in full force and effect as of the date hereof and constitutes a valid and binding obligation of the Issuer enforceable in accordance with its terms.
4. The execution and delivery of the Bonds and the consummation of the transactions contemplated by the Bonds and the Ordinance, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or

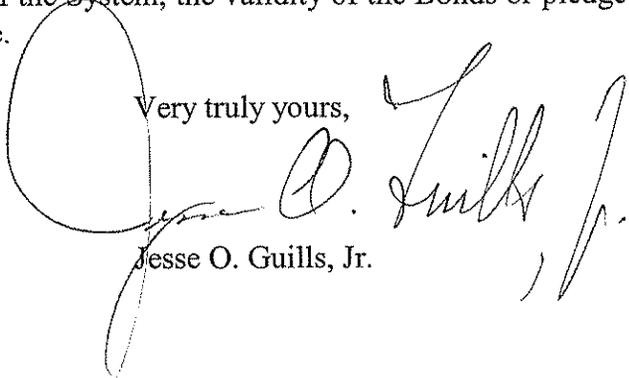
default under any ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

5. It is to be understood that the rights of the holders of the Bonds and the enforceability liens, pledges, rights or remedies with respect to the Bonds and the Ordinance are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations required by law for the operation of the System and the issuance of the Bonds.

7. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bonds and the Ordinance, the operation of the System, the validity of the Bonds or pledge of the Gross Revenues set forth in the Ordinance.

Very truly yours,


Jesse O. Guills, Jr.

JOG/cac

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

GENERAL CERTIFICATE OF ISSUER:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE
10. RATES
11. RESERVED
12. SIGNATURES AND DELIVERY
13. BOND PROCEEDS
14. PUBLICATION AND PUBLIC HEARING ON BOND
ORDINANCE
15. SPECIMEN BOND
16. CONFLICT OF INTEREST
17. EXECUTION OF COUNTERPARTS

We, the undersigned MAYOR and RECORDER of the City of Lewisburg in Greenbrier County, West Virginia (the "Issuer"), on this the 22nd day of May, 2009, hereby certify in connection with the Issuer's Water Revenue Bonds, Series 2009 A, dated the date hereof (the "Bonds" or the "Series 2009 A Bonds"), as follows:

1. **TERMS:** All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Ordinance of the Issuer duly enacted April 14, 2009, and the Supplemental Resolution duly adopted May 12, 2009, (collectively, the "Bond Legislation").

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

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

4. INDEBTEDNESS: There are outstanding obligations of the Issuer which will rank on a parity with the Series 2009 A Bonds as to liens, pledge, source of and security for payment, being the Issuer's: (i) Water Refunding Bonds, Series 1975, (United States Department of Agriculture), dated December 22, 1976, issued in the aggregate principal amount of \$450,000 (the "Series 1975 Bonds"); and (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the aggregate principal amount of \$2,200,000 (the "Series 1982 A Bonds") (collectively, the "Prior Bonds").

The Series 2009 A Bonds shall be issued on a parity with the Prior Bonds with respect to liens, pledge and source of and security for payment and in all other respects. Prior to the issuance of the Series 2009 A Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met; and (ii) obtain the written consent of the Holders of the Prior Bonds to the issuance of the Series 2009 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all covenants of the Prior Bonds and Prior Ordinances.

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

Bond Ordinance

Supplemental Resolution

Charter and Rules of Procedure

Oaths of Office of Officers and Councilmembers

Water Rate Ordinance

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

Minutes on Adoption and Enactment of Water Rate Ordinance

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

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

Prior Bond Ordinances

Consent of United States Department of Agriculture

Closing Memorandum

IRS Form 8038- G

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is the "City of Lewisburg." The Issuer is a municipal corporation in Greenbrier County and is presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Issuer is its council, consisting of a Mayor, a Recorder and 5 councilmembers, all duly elected or appointed, as applicable, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
John Manchester, Mayor	July 1, 2007	June 30, 2009
Shannon Ninnemann, Recorder	July 1, 2007	June 30, 2009
Beverly White, Councilperson	July 1, 2007	June 30, 2009
Mark Etten, Councilperson	July 1, 2007	June 30, 2009
Wade McClure, Councilperson	July 1, 2007	June 30, 2009
Mark Bowe, Councilperson	July 1, 2007	June 30, 2009
Vivian Conly, Councilperson	July 1, 2007	June 30, 2009

The duly appointed and the acting Counsel to the Issuer is Jesse O. Guills, Esquire, of Lewisburg, West Virginia.

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

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

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

10. RATES: The Issuer has duly enacted a water rate ordinance on February 19, 2002 setting rates and charges for the services of the System. The time for appeal of such water rate ordinance has expired prior to the date hereof without any appeal, and such rates are currently effective.

11. RESERVED

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

13. BOND PROCEEDS: On the date hereof, the Issuer received \$100,232 from the Purchaser, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before the date stated below for the public hearing, in *The West Virginia Daily News* a qualified newspaper published in the City of Lewisburg, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 14th day of April, 2009, at 7:00 p.m., in the Council Chambers at the City Hall and present protests, and stating that a certified copy of

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

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

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

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

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of the CITY OF LEWISBURG on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

Joe Manchester

Mayor

Shannon Nunn, CNC

Recorder

05.12.09
522450.00003

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

CERTIFICATE OF ENGINEER

On this 22nd day of May, 2009, I, Robert G. Belcher, P.E., Registered Professional Engineer, West Virginia License No. 13093, of Chapman Technical Group, Ltd., St. Albans, West Virginia, hereby certify as follows:

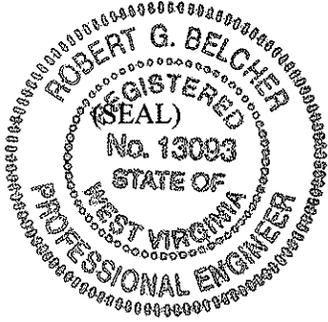
1. My firm is engineer for the acquisition and construction of certain extensions, additions, betterments and improvements (the "Project") to the existing public waterworks system (the "System") of the City of Lewisburg (the "Issuer") to be constructed in Greenbrier County, West Virginia, which acquisition and construction are being permanently financed, in part, by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance enacted by the Issuer on April 14, 2009, as supplemented, by Supplemental Resolution duly adopted by the Issuer on May 12, 2009.

2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; (ii) funding the Series 2009 A Bonds Reserve Account; and (iii) paying certain costs of issuance of the Bonds and related costs.

3. To the best of our knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 20 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids or will receive for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B, attached hereto as Exhibit A.

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



CHAPMAN TECHNICAL GROUP, LTD

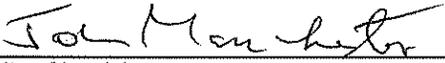
A handwritten signature in cursive script that reads "Robert G. Belcher".

Robert G. Belcher, P.E.

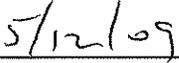
West Virginia License No. 13093

SCHEDULE B
City of Lewisburg
Ronceverte Interconnection Project

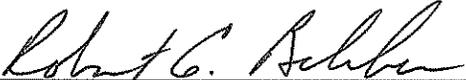
A. COST OF PROJECT	Total	BBT
1. Construction	308,925.00	308,925.00
Contingency -10%	30,900.00	30,900.00
2 a. Paint Fairlea Tank	100,000.00	100,000.00
b. Redundant High Service Pump	75,000.00	75,000.00
d. Master Meter Vault Ronceverte Interconn.	16,000.00	16,000.00
e. Renick Tank Contribution	30,000.00	30,000.00
3 Technical Services		
a. Comprehensive Study/Leak Detection	176,000.00	176,000.00
b. Basic Services (Ronceverte Interconn.)	40,000.00	40,000.00
c. Const. Observation (Ronceverte Inter.)	36,000.00	36,000.00
d. Additional Services (Ronceverte Inter.)	9,500.00	9,500.00
4 Legal & Fiscal		
a. Legal	8,000.00	8,000.00
b. Accounting	7,500.00	7,500.00
5 Sites and Other Lands	1,500.00	1,500.00
6 Miscellaneous/ Permits	5,000.00	5,000.00
7 Project Contingency	10,443.00	10,443.00
8 Total of Lines 1 through 7	854,768.00	854,768.00
B. COST OF FINANCING		
9 Capitalized Interest	45,000.00	45,000.00
10 Funded Reserve	75,982.00	75,982.00
11 Bond Counsel	20,000.00	20,000.00
12 Bank Fee	4,250.00	4,250.00
13 Total Cost of Financing	145,232.00	145,232.00
14 TOTAL PROJECT COST (line 8 plus line 13)	1,000,000.00	1,000,000.00
C. SOURCES OF FUNDS		
15 Federal Grants:	0.00	0.00
16 State Grants	0.00	0.00
17 Other Grants	0.00	0.00
18 TOTAL GRANTS	0.00	0.00
19 Size of Bond Issue (line 14 minus line 18)	1,000,000.00	1,000,000.00



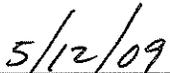
City of Lewisburg



Date



Chapman Technical Group



Date

BASSETT & LOWE

CERTIFIED PUBLIC ACCOUNTANTS

1156 SOUTH MAIN STREET

MILTON, WEST VIRGINIA 25541

Phone: (304) 743-5573 FAX: (304) 743-1150

Toll Free: 1-800-720-9629

e-mail: rbassett@bassettlowe.com

e-mail: rloew@bassettlowe.com

May 22, 2009

City of Lewisburg

Water Revenue Bonds, Series 2009 A

City of Lewisburg
Lewisburg, West Virginia

Branch Banking & Trust Company
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the rate ordinance dated February 19, 2002, and projected operation and maintenance expenses and anticipated customer usage of City of Lewisburg, it is my opinion that such rates and charges will be sufficient to provide revenues to pay all operating expenses of the System and to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2009 A Bonds (West Virginia Water Development Authority) (the "Bonds"), to be issued in the aggregate principal amount of \$1,000,000 and all other obligations secured by or payable from the revenues of the System on a parity with the Bonds, including the Issuer's (i) Water Refunding Bonds, Series 1975, (United States Department of Agriculture), dated December 22, 1976, issued in the aggregate principal amount of \$450,000 (the "Series 1975 Bonds"); and (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the aggregate principal amount of \$2,200,000 (the "Series 1982 A Bonds"), (collectively, the "Prior Bonds").

It is my further opinion that the Net Revenues for the Fiscal Year following the year in which the Bonds are issued will be at least 120% of the average annual debt service requirements on the Bonds and the Prior Bonds.

Very truly yours,



Bassett & Lowe

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

CERTIFICATE AS TO ARBITRAGE

On this 22nd day of May, 2009, the undersigned Mayor of the City of Lewisburg (the "Issuer"), being the official of the Issuer charged with the responsibility for issuing the above-referenced bonds (the "Bonds") of the Issuer, and acting for the Issuer and in its name, hereby certifies as follows with regard to the Bonds and use of the proceeds thereof, all capitalized terms used herein and not otherwise defined herein to have the same meanings set forth in the Bond Ordinance duly enacted by the Issuer on April 14, 2009 as supplemented by a Supplemental Resolution duly adopted by the Issuer on May 12, 2009 (collectively, the "Ordinance"):

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

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on May 22, 2009, the date on which the Bonds are to be physically delivered in exchange for more than a de minimus amount of the principal of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

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

6. The Bonds were sold on May 22, 2009, to Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser"), for a purchase price of \$1,000,000, being the par value thereof, there being no interest accrued thereon.

7. The entire principal of the Bonds in the amount of \$100,232 will be paid to the Issuer on the Closing Date and deposited in the Series 2009 A Bonds Construction Trust Fund for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); (ii) funding the Series 2009 A Bonds Reserve Account; and (iii) paying costs of issuance and related costs thereof. All of such monies are necessary for such purpose.

8. The balance of the proceeds of the Series 2009 A Bonds shall be deposited in or credited to the Series 2009 A Bonds Construction Trust Fund for payment of the costs of the Project. All proceeds from the sale of the Bonds, together with any investment earnings thereon, if any, will be expended for payment of such costs of the Project from the Series 2009 A Bonds Construction Trust Fund on or before December 1, 2009.

9. Sources and uses of the proceeds of the Bonds are as follows:

<u>SOURCES</u>	
Gross Proceeds of the Bonds	\$1,000,000
Total Sources	<u>\$1,000,000</u>
<u>USES</u>	
Construction Costs	\$ 899,768
Funding Series 2009 A Bonds Reserve Account	\$ 75,982
Costs of Issuance	<u>\$ 24,250</u>
Total Uses	<u>\$ 1,000,000</u>

The costs of paying the costs of the Project and the costs of issuance of the Bonds is estimated to be at least equal to the gross proceeds of the Bonds. Except for the proceeds of the Bonds, no other funds of the Issuer will be available to meet such costs, which would constitute "replacement proceeds" within the meaning of Treas. Reg. § 1.148-1(c), inasmuch as (i) the Issuer does not reasonably expect that the term of the Bonds is longer than is reasonably necessary for the governmental purposes of the Issuer, (ii) the weighted average maturity of the Bonds does not exceed 120% of the average expected economic life of the betterments and improvements for the System, and (iii) there are no amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the proceeds of the Bonds were not used or to be used for that governmental purpose.

10. Pursuant to Article IV of the Bond Ordinance, the following special funds have been created or continued:

- (1) Renewal and Replacement Fund (established by Prior Ordinance);

- (2) Series 2009 A Bonds Sinking Fund;
- (3) Series 2009 A Bonds Reserve Account; and
- (4) Series 2009 A Bonds Construction Fund.

11. Pursuant to Article IV of the Bond Ordinance, the proceeds of the Bonds will be deposited in the Series 2009 A Bonds Construction Fund and applied solely to payment of the Project, including costs of issuance of the Bonds and related costs. The Issuer reasonably expects that (i) it will incur a binding obligation to a third party to expend at least 5% of the net sale proceeds of the Bonds within 6 months following the date of issuance of the Bonds, (ii) completion of the betterments and improvements will proceed with due diligence, and (iii) it will expend at least 85% of the net sales proceeds for such costs within 3 years of the date of issuance of the Bonds.

Amounts in the Series 2009 A Bonds Construction Fund, if invested, will be invested without yield limitation for a period necessary to pay operating and other expenses of the System, not to exceed 3 years, except as otherwise set forth herein. All of such monies are necessary for such purpose.

Except for "preliminary expenditures" as defined in Treas. Reg. §1.150-2(f)(2), none of the proceeds of the Bonds will be used to reimburse the Issuer for costs of operating and other expenses of the System previously incurred and paid by the Issuer with its own or other funds.

12. Monies held in the Series 2009 A Bonds Sinking Fund and the Series 2009 A Bonds Reserve Account will be used solely to pay the principal of and interest on the Bonds and will not be available to meet costs of operating and other expenses of the System.

13. Except for the Series 2009 A Bonds Sinking Fund and the Series 2009 A Bonds Reserve Account, there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay the principal and interest on the Bonds, or which are pledged as collateral for the Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Bonds if the Issuer encounters financial difficulties. None of the monies received from the Bonds will be deposited in any reserve or replacement fund.

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

15. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Bonds to the Purchaser.

16. All proceeds of the Bonds will be expended from the Series 2009 A Bonds Construction Trust Fund on payment of such costs of the Project and costs of issuance within 12 months from the date of issuance thereof.

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

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

19. No more than 10% of the 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. Less than 5% of the proceeds of the Bonds have been or will be used to make or finance loans to any person who is not a governmental unit. The covenants of the Issuer set forth above shall not, in any way, limit or restrict the ability of the Issuer to pay the costs of design and other preliminary costs of the Project, specifically including, but not limited to, engineering fees, from the proceeds of the Bonds.

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

21. The Issuer shall use the Bonds proceeds solely for such authorized costs of Project and costs of issuance and the System is and will be operated solely for a public purpose as a local governmental activity of the Issuer.

22. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions and refrain from taking such actions as shall be necessary to comply with the Code in order to ensure the interest on the Bonds is excludable from gross income for federal income tax purposes.

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

24. The Issuer is a governmental unit and has general taxing powers; no Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer); and the aggregate face amount of all tax-exempt bonds or obligations (other than private activity bonds) issued by the Issuer during the calendar year 2007, the calendar year in which the Bonds are issued, is not reasonably expected to exceed \$5,000,000, determined in accordance with Section 148(f)(4)(D) of the Code. For purposes of this paragraph and for purposes of applying such Section 148(f)(4)(D) of the Code, the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one issuer; all obligations issued by a governmental unit to make loans to other governmental units with general taxing powers not subordinate to such unit shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code, be treated as not issued by such unit; all obligations issued by a subordinate entity shall, for purposes of applying this paragraph and Section 148(f)(4)(D) of the Code to each other entity to which such entity is subordinate, be treated as issued by such other entity; and an entity formed (or, to the extent provided by the Secretary, as set forth in the Code, availed of) to avoid the purposes of such Section 148(f)(4)(D) of the Code and all other entities benefitting thereby shall be treated as one issuer. Therefore, the Issuer qualifies for the small governmental issuer exception to rebate.

25. The Issuer has retained the right to amend or supplement its authorizing documents if such amendment or supplement is necessary to preserve the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

26. The Issuer shall comply with the yield restriction on the proceeds of the Bonds as set forth in the Code.

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

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

~~29. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds.~~

30. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service.

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

32. 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.

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

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

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

CERTIFICATE OF REGISTRAR

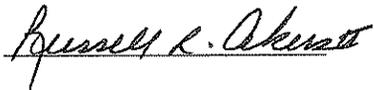
Branch Banking and Trust Company, Charleston, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies this 22nd day of May, 2009 as follows, all capitalized terms used herein to have the same meanings set forth in the Bonds Ordinance of the City of Lewisburg (the "Issuer") enacted April 14, 2009, as supplemented by a Supplemental Resolution adopted May 12, 2009, (collectively, the "Ordinance"):

1. The Bank is a state banking corporation duly organized and validly existing under the laws of the State of North Carolina and may lawfully conduct business in West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided under the Ordinance and to serve in the capacity of Registrar under the Ordinance.

2. The Bank has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties of Registrar under the Ordinance, and any and all other documents and agreements as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to, and consummate the transactions contemplated thereby.

3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in his or her office; and, pursuant to authorization from the Board of Directors of the Bank, such person, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Bank.

4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Russell R. Akers, II	Assistant Vice President	

5. The Bonds have been duly authenticated, registered and delivered to the Purchaser, and the first advance of principal of the Bonds have been deposited as required by the Ordinance.

IN WITNESS WHEREOF, Branch Banking and Trust Company, has caused this Certificate to be executed by its duly authorized officer, as of the day and year first written above.

BRANCH BANKING AND TRUST COMPANY

By: Russell R. Oker
Its: Authorized Officer

02.20.09
522450.00003

CH5096295.1

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

CERTIFICATE OF PURCHASER

The Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser"), as original purchaser from the City of Lewisburg (the "Issuer") of the above-captioned Bonds (the "Bonds"), hereby certifies this 22nd day of May, 2009, that:

1. We are purchasing the Bonds for our own portfolio and none of the Bonds have been the subject of an initial offering to the public. We do not intend to divide the Bonds purchased by us nor to resell or otherwise dispose of all or any part of the Bonds purchased by us, except as permitted by law on a basis of full disclosure to any subsequent holder of the Bonds and subject to applicable securities laws and regulations thereunder.

2. The weighted average maturity of the Bonds is 11.57338 years.

3. The interest rate on the Bonds is at the rate of 4.51% per annum.

4. This certificate may be relied upon by the Issuer with respect to its Certificate as to Arbitrage relating to the Bonds, and by Steptoe & Johnson PLLC in rendering their tax opinion with respect to the Bonds.

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IN WITNESS WHEREOF, Branch Banking and Trust Company, has caused this Certificate to be executed by its duly authorized officer, as of the day and year first written above.

BRANCH BANKING AND TRUST COMPANY

By: Russell R. O'Brien
Its: Authorized Officer

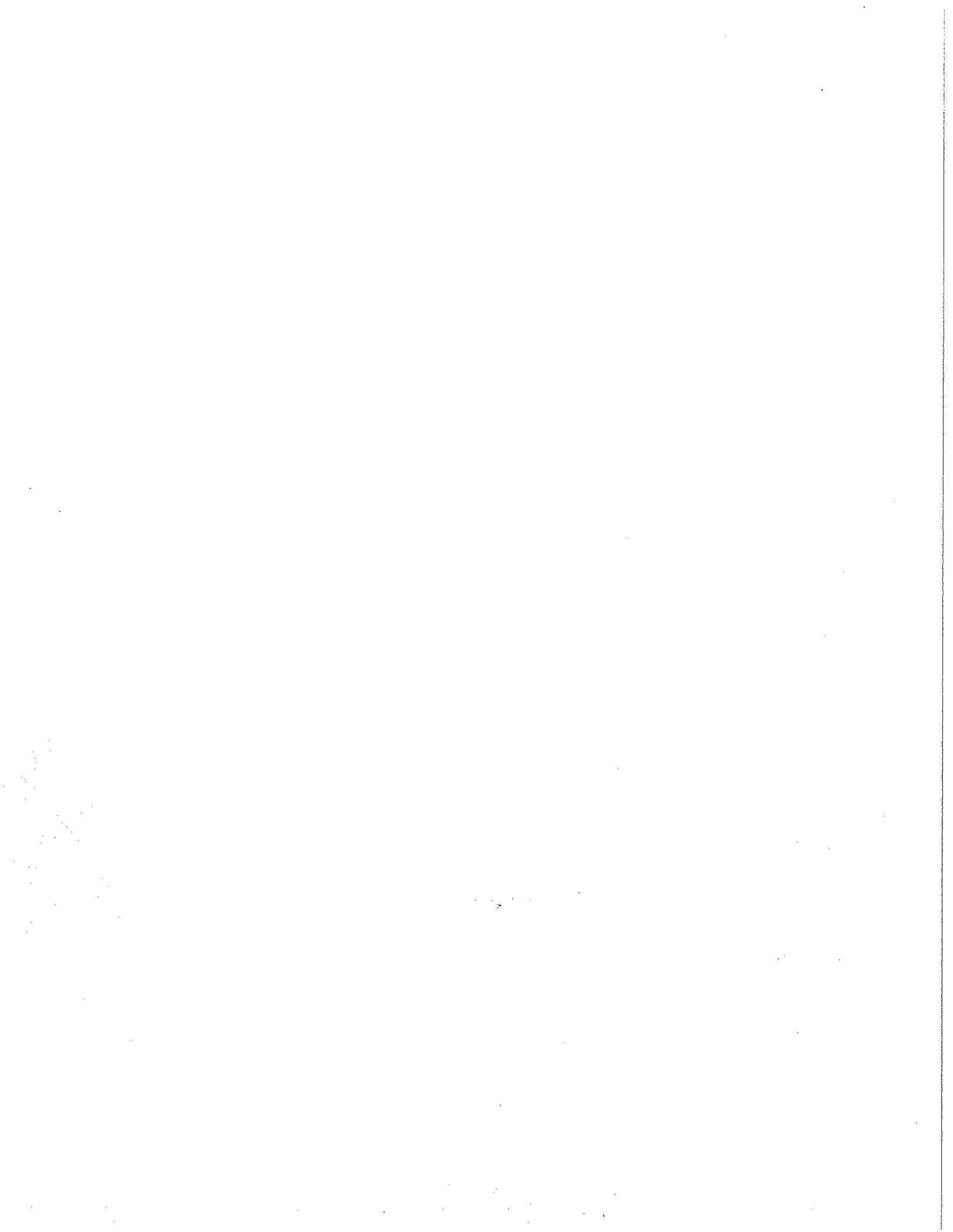
02.20.09
522450.00003

CH5096298.1

An act to establish a town at the courthouse
in the county of Greenbrier.

1. Be it enacted by the General Assembly, That forty acres of land, whereon the court-house of the county of Greenbrier now stands, be, and the same is hereby vested in Samuel Lewis, James Reid, Samuel Broton, Andrew Donnelley, John Stewart, Archer Matthews, William Ward, and Thomas Edger, gentlemen, trustees, to be by them, or any five of them, laid out into lots of half an acre each, with convenient streets, which shall be, and the same is hereby established a town by the name of Lewisburg. That so soon as the said forty acres of land shall be so laid off into lots and streets, the said trustees, or any five of them, shall proceed to sell the same at public auction, for the best price that can be had, the time and place of which sale shall be previously advertised for three months at the courthouse of the said county; the purchasers to hold the said lots respectively, subject to the condition of building on each of the said lots a dwelling-house twenty feet by sixteen, with a stone or brick chimney, to be finished fit for habitation within four years from the day of sale; and the said trustees, or any five of them, shall, and they are hereby empowered, to convey the said lots to the purchasers thereof in fee simple, subject to the condition aforesaid, and pay the money arising from the sale thereof to the persons legally entitled to receive the same. The said trustees, or a major part of them, shall have power from time to time to settle and determine all disputes concerning the bounds of the said lots, and to settle such rules and orders for the regular building of houses as to them shall seem best and most convenient. And in case of the death, removal out of the county, or other legal disability, of any of the said trustees, it shall be lawful for the other trustees to elect and choose so many other persons in the room of those dead, removed, or disabled, as shall make up the number, and the trustees so chosen shall be to all intents and purposes vested with the same power and authority as those in this act particularly named.

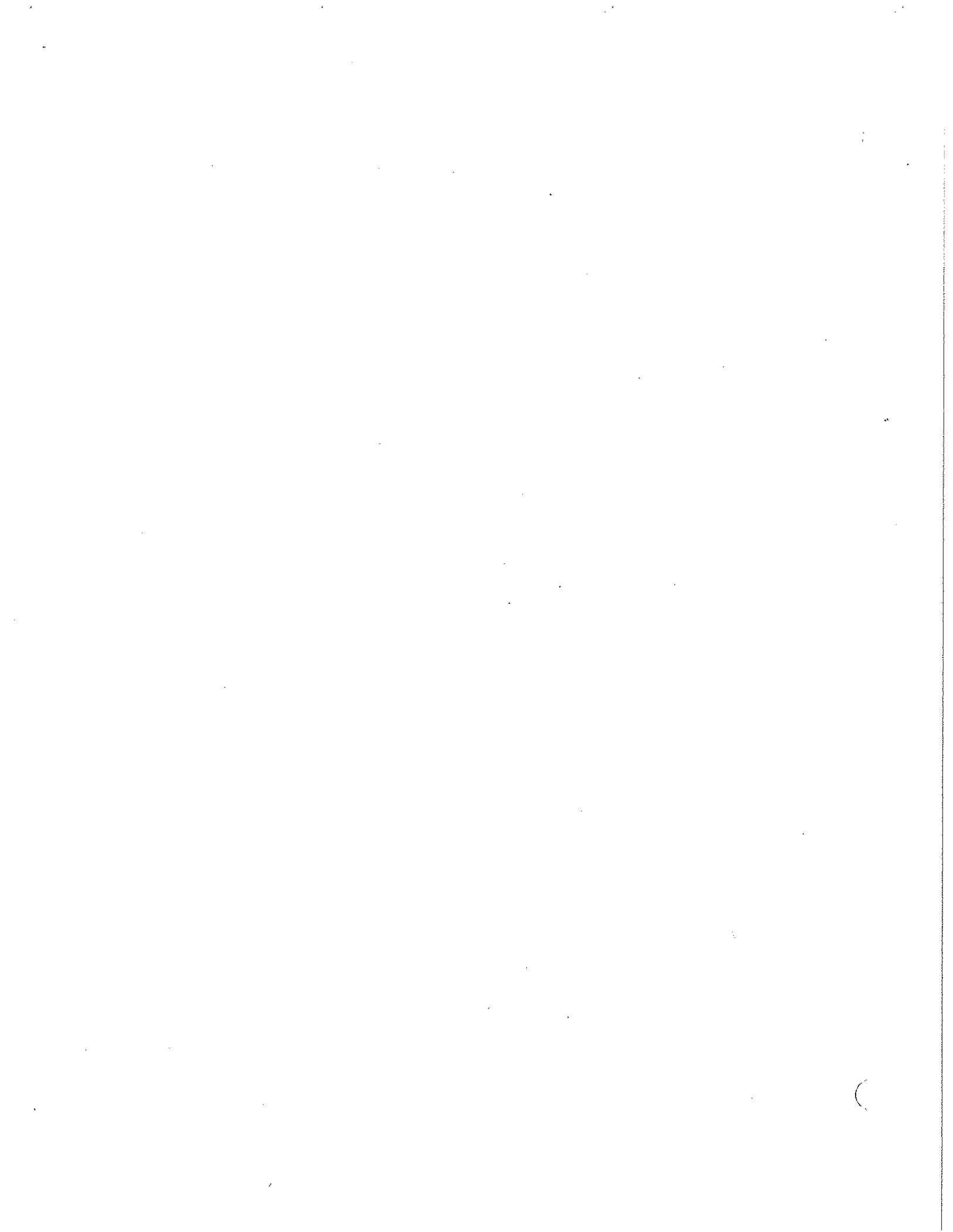
2. And be it further enacted, That the purchasers of the lots in the said town, so soon as they shall have built upon and saved the same, according to the conditions of their respective deeds, shall be entitled to, and have and enjoy, all the rights, privileges, and immunities, which the freeholders and inhabitants of other towns in this state, not incorporated by charter, have and enjoy. If the purchaser of any lot shall fail to build thereon within the time before limited, the said trustees, or the major part of them, may thereupon enter into such lot, and may sell the same again, and apply the money towards repairing the streets, or in any other manner, for the benefit of the said town.



An act to establish a town at the courthouse
in the county of Greenbrier.

1. Be it enacted by the General Assembly, That forty acres of land, whereon the court-house of the county of Greenbrier now stands, be, and the same is hereby vested in Samuel Lewis, James Reid, Samuel Brown, Amoretto Donneley, John Stewart, Archer Matthews, William Ward, and Thomas Edger, gentlemen, trustees, to be by them, or any five of them, laid out into lots of half an acre each, with convenient streets, which shall be, and the same is hereby established a town by the name of Lewisburg. That so soon as the said forty acres of land shall be so laid off into lots and streets, the said trustees, or any five of them, shall proceed to sell the same at public auction, for the best price that can be had, the time and place of which sale shall be previously advertised for three months at the courthouse of the said county; the purchasers to hold the said lots respectively, subject to the condition of building on each of the said lots a dwelling-house twenty feet by sixteen, with a stone or brick chimney, to be finished fit for habitation within four years from the day of sale; and the said trustees, or any five of them, shall, and they are hereby empowered, to convey the said lots to the purchasers thereof in fee simple, subject to the condition aforesaid, and pay the money arising from the sale thereof to the persons legally entitled to receive the same. The said trustees, or a major part of them, shall have power from time to time to settle and determine all disputes concerning the bounds of the said lots, and to settle such rules and orders for the regular building of houses as to them shall seem best and most convenient. And in case of the death, removal out of the county, or other legal disability, of any of the said trustees, it shall be lawful for the other trustees to elect and choose so many other persons in the room of those dead, removed, or disabled, as shall make up the number, and the trustees so chosen shall be to all intents and purposes vested with the same power and authority as those in this act particularly named.

2. And be it further enacted, That the purchasers of the lots in the said town, so soon as they shall have built upon and saved the same, according to the conditions of their respective deeds, shall be entitled to, and have and enjoy, all the rights, privileges, and immunities, which the freeholders and inhabitants of other towns in this state, not incorporated by charter, have and enjoy. If the purchaser of any lot shall fail to build thereon within the time before limited, the said trustees, or the major part of them, may hereupon enter into such lot, and may sell the same again, and apply the money towards repairing the streets, or in any other manner, for the benefit of the said town.



Administration

CHAPTER 2.

ADMINISTRATION.

As to building inspector generally, see §5-3 of this Code. As to elections generally, see ch. 6. As to emergency services generally, see ch. 7. As to director of emergency services, see §§7-4, 7-5. As to fire department, see §§8-34 to 8-36. As to municipal court generally, see ch. 11. As to planning commission, see ch. 14. As to police generally, see ch. 15.

Article I. In General.

- § 2-1. Official bonds.
- § 2-2. Compensation of city officers and employees.
- § 2-3. Payments of city money to city treasurer; deposit of money.
- § 2-4. Disbursement of city funds.
- § 2-5. Fiscal reports, accounts, etc.--To conform to fiscal year; "fiscal year" defined.
- § 2-6. Same--Form of budget system and financial accounts and records.
- § 2-7. Same--Annual financial statement.
- § 2-8. Availability to public of city books and records; protection of books and records.
- § 2-9. Authority of deputies, assistants and acting city officers and employees.
- § 2-10 to 2-14. Reserved for future legislation.

Article II. City Council.

- § 2-15. Meetings--Regular and special; quorum for all meetings.
- § 2-16. Same--Annual tax estimate and levy.
- § 2-17. Same--Biennial organizational.
- § 2-18. Meetings to be public except when in executive session.
- § 2-19. Procedure when meeting lacks quorum.
- § 2-20. Sergeant at arms.

Lewisburg City Code

- § 2-21. Recorder to attend meetings and keep journal of council; taking of ayes and noes.
- § 2-22. Order of business at meetings.
- § 2-23. Ordinances--Generally.
- § 2-24. Same--Attestation; Record of Ordinances.
- § 2-25. Same--Ordinances to repeal, amend or add to provisions of this Code and records thereof.
- § 2-26. Resolutions and record thereof.
- § 2-27. Rules.
- § 2-28. Disorderly conduct, etc., prohibited at meetings of council and council committees.

Article III. City Officers.

Division 1. Generally.

- § 2-29. Appointment and term of nonelective city officers.
- § 2-30. Multiple office holding; titles of deputies and assistants
- § 2-31. Limited authority to administer oaths; false swearing.

Division 2. Specific Officers.

- § 2-32. Mayor.
- § 2-33. Recorder; acting mayor during illness or absence of mayor.
- § 2-34. City treasurer.
- § 2-35. Administrative assistant.
- § 2-36. City attorney.

Division 3.

Miscellaneous Restrictions of Personnel

- § 2-37. Business dealings.
- § 2-38. Acceptance of gratuities.
- § 2-39. Outside employment.
- § 2-40. Political activity.
- § 2-41. Use of municipal time, facilities, etc.
- § 2-42. Use of position.
- § 2-43. Strikes and unions.
- § 2-44. Violations.

Administration

Article IV. Personnel Regulations.

- § 2-45. Vacation leave.
- § 2-46. Same--Holidays occurring during leave.
- § 2-47. Same--Terminal leave; payments in lieu of leave.
- § 2-48. Sick leave.
- § 2-49. Military leave.
- § 2-50. Funeral leave.
- § 2-51. Civil leave for jury service.
- § 2-52. Maternity leave.
- § 2-53. Leave of absence.
- § 2-54. Compensatory time.
- § 2-55. Paid holidays.
- § 2-56. Leave records.

Article V. Boards and Commissions.

Division 1. Human Rights Commission.

- § 2-57. Title.
- § 2-58. Membership.
- § 2-59. Chairman.
- § 2-60. Quorum.
- § 2-61. Powers.

Division 2. Library Board.

- § 2-62. Greenbrier County Library.
- § 2-63. Board of Directors.
- § 2-64. Election of officers.
- § 2-65. Powers.
- § 2-66. Contributions.
- § 2-67. Annual report.
- § 2-68. Ordinance.

Division 3.

Historic Landmark Commission.

- § 2-69. Referral.

Division 4.

Planning Commission.

- § 2-70. Referral.

Lewisburg City Code

Division 5.

Board of Park Commission.

- § 2-71. Board created.
- § 2-72. Membership.

Article VI. Municipal Government Ethics

- § 2-73. Purpose.
- § 2-74. Adoption.
- § 2-75. General.
- § 2-76. Amendment.

Administration

Article I. In General.

*For the West Virginia Municipal Code, see
W. Va. Code, ch. 8.*

Sec. 2-1. Official bonds.

(a) Every officer, employee or agent of the city who in the course of his official duties receives, handles or has custody of or control of city funds, negotiable instruments or securities at any time shall, before entering upon his duties as such officer, employee or agent and within ten days of his election or appointment, give bond, payable to the city, with corporate surety, in such amount not less than five hundred dollars as shall be determined by the city council, and conditioned upon the faithful performance of his duties, to give a true accounting of all city funds, negotiable instruments and securities received or handled by him or coming within his custody or under his control, and payment thereof to the city; provided, that the bond of the city treasurer shall be in the amount of not less than ten thousand dollars, the bond of the recorder shall be not less than five thousand dollars and the bond of the mayor shall be not less than five thousand dollars; and provided further, that during any period when two or more positions are held by the same person, the bond for such person shall be in the amount of not less than the highest amount required for any one of such positions.

(b) The city council may adopt a system of blanket faithful performance and honesty bonding as an alternative to the individual bonds provided in subsection (a) of this section; provided, that the minimum amounts as specified in subsection (a) for the positions named therein shall remain the same as therein specified.

(c) All officers, employees and agents of the city who, in line of duty, are required or authorized to carry firearms, shall give bond, payable to the city, with corporate surety, in such amount as may be specified by the city council, and conditioned upon the faithful performance of their respective duties and the payment of any judgment or decree which may be rendered against them for the negligent or unlawful use or handling of such firearm and to save the city harmless from all claims and demands whatsoever for the negligent or unlawful use or handling of such firearm.

(d) The city attorney shall approve all bonds required by this section with respect to their form and legality; and the premiums thereon shall be paid by the city. The city council shall approve all bonds required by this section with respect to their sufficiency. All bonds required by this section shall be in the custody of the recorder, except that the bond of the recorder shall be in the custody of the mayor.

Lewisburg City Code

For state law as to authority of city to require official bonds of city officers, see W. Va. Code, §8-12-5, subsec. (46). As to requirements that municipal officers who handle public funds give bond, see W. Va. Code, §6-2-11. As to bonds required of police officers, see W. Va. Code, §61-7-5. As to bonds of public officers generally, see W. Va. Code §6-2-1 et seq.

Sec. 2-2. Compensation of city officers and employees.

(a) The mayor, councilmen and other city officers and employees shall receive such salaries and wages as may be provided for them from time to time by the city council in the annual budget or other ordinances; provided, that the salary of no elective city officer shall be increased or diminished during the term for which he was elected.

(b) Except as may be provided otherwise in this Code or other ordinance, all fees paid to city officers and employees shall be deemed to be money belonging to the city, and shall be paid over to the city treasurer or other officer designated by this Code or other ordinance by the recipients thereof not less frequently than once each week.

For state law as to authority of city council, by ordinance, to fix compensation of city officers and employees, see W. Va. Code, §8-5-12.

Sec. 2-3. Payments of city money to city treasurer; deposit of money.

All taxes, fees and other money belonging to the city shall be paid over by the recipients thereof to the city treasurer not less frequently than once each week, as may be provided by resolution or order of the city council; and the city treasurer shall promptly deposit such money to the credit of the city in such depository as may be designated by ordinance or resolution of the city council.

Sec. 2-4. Disbursement of city funds.

(a) No money shall be disbursed from the city treasury except by approval of the city council and then only if there be on hand sufficient funds appropriated for the purpose of such disbursement and not otherwise obligated. All checks on city depositories shall

Administration

be signed by the city treasurer or recorder and countersigned by the mayor; provided, that the city council may by resolution provide alternate officers for such purposes to act when the city treasurer or mayor are absent or disabled.

(b) The city council may, by resolution or by motion duly put, carried and entered in the minutes, delegate authority to the city treasurer to approve, on its behalf, claims and accounts due under contract or otherwise due prior to the next meeting of the council, and for such utility services and routine purchases as may be specified in such resolution or motion; provided, that the city treasurer shall first obtain the approval of the city officer or employee to which any such claim relates.

Sec. 2-5. Fiscal reports, accounts, etc.--To conform to fiscal year; "fiscal year" defined.

All fiscal reports, settlements, accounts and statements of the city and of city officers shall conform to the fiscal year, which begins on July 1st of each calendar year and terminates at the close of business June 30th of the next succeeding calendar year.

*For similar state law, see W. Va. Code, §§8-13-17,
2-2-4.*

Sec. 2-6. Same--Form of budget system and financial accounts and records.

The budgeting system and financial accounts and records of the city shall be as prescribed by the city council in conformity with article 9, chapter 6 of the Code of West Virginia; and the form and manner of keeping thereof shall be as approved or prescribed by the state tax commissioner in his ex officio capacity as chief inspector and supervisor of public offices.

*For state law as to applicability of article 9,
chapter 6 of the Code of West Virginia to
municipalities, see W. Va. Code, §§8-13-18.
As to approval of municipal fiscal records
by chief inspector and supervisor of pub-
lic officers, see W. Va. Code, §6-9-6.*

Sec. 2-7. Same--Annual financial statement.

(a) The city treasurer, within four weeks after the beginning of each fiscal year, shall prepare on a form to be prescribed by the state tax commissioner and cause to be published a sworn statement revealing (1) the receipts and expenditures of the city during the previous fiscal year arranged under descriptive headings, (2) the name of each person who received more than fifty dollars

Lewisburg City Code

from any fund during the previous fiscal year, together with the amount received and the purpose for which paid, and (3) all debts of the city, the purpose for which each debt was contracted, its due date, and to what date the interest thereon has been paid. Such statement shall be published as a class I legal advertisement in compliance with the provisions of article 3, chapter 5a of the Code of West Virginia, and the publication area for such publication shall be the city.

(b) The city recorder shall transmit to any resident of the city, upon request, a copy of any published statement for the fiscal year designated, supplemented by a document listing the names of each person who received less than fifty dollars from any fund during such fiscal year and showing the amount paid to each and the purpose for which paid.

Sec. 2-8. Availability to public of city books and records; protection of books and records.

(a) Except as may be provided otherwise by state law, this Code or other ordinance or resolution of the city council to safeguard the security of license tax returns, personnel records and other confidential information, all records, books, maps, documents and other papers which are maintained on file in any city office shall be open for inspection and use by citizens of the city and others having an interest therein during all regular business hours, but none shall be removed from the office of its custodian except by authority of the mayor, the city council or a valid subpoena duces tecum issuing from a court or officer having jurisdiction in the premises.

(b) No person shall, without proper authority as provided in subsection (a) of this section, remove from the office of its custodian any record, book, map, document or other paper which is maintained on file in any city office, nor shall any person fail to return any such item to its proper custodian within the time set by the custodian for its return.

(c) No person shall wilfully destroy, obliterate, secrete, deface, mark upon, disturb the arrangement of, damage or otherwise tamper with any record, book, map, document or other paper which is maintained on file in any city office.

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Sec. 2-9. Authority of deputies, assistants and acting city officers and employees.

(a) Authority vested in and duties imposed upon city officers by state law, this Code or other ordinances and resolutions of the city council may, when they so authorize, be exercised or performed by their deputies, assistants and other subordinates, to the extent not prohibited by state law, this Code or other ordinance or resolution of the city council.

(b) When any city officer or employee is absent or disabled, or when any office or position in the city government is vacant, the person designated by competent authority to act in the place of such absent or disabled city officer or employee or to hold temporarily the vacant office or position shall have the powers and perform the duties of such absent or disabled officer or employee or appertaining to such vacant office or position.

Sec. 2-10 to 2-14. Reserved for future legislation.

Sec. 2-15. Meetings--Regular and special; quorum for all meetings.

(a) Regular meetings of the city council shall be held at the council chamber on the third Tuesday of each month, beginning at 7:30 P.M.; provided, that when any such day falls upon a holiday the council may fix another day for such meeting; and provided further, that if the council chamber is not available or is not suitable for any such meeting, the council may designate another place in the city which is open to the public as the place for holding such meeting.

(b) Special meetings of the city council, in addition to the annual tax estimate and levy meeting and the biennial organizational meeting, may be called by the mayor or by any two other members of the council. All such calls for special meetings shall be in writing and (1) signed by the mayor or by the other two or more members joining in the call; (2) shall set forth the purposes of the meeting and the business to be transacted; (3) a true copy of such call shall be delivered to each member of the council not joining in the call; and delivery to his home shall be sufficient. This provision, however, may be waived by any member of the council and any such waiver shall be entered in the journal of the council in the minutes of the called meeting to which it relates; and (4) the calls shall be delivered as hereinbefore provided not less than

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eight hours before the time specified for the meeting to convene. At any special meeting which is called pursuant to this subsection, only those subjects stated in the call shall be considered or acted upon, except by affirmative vote of four members of the council then and there present.

(c) A majority of the members of the city council shall be necessary for a quorum for the transaction of business at any meeting, regular, adjourned or special.

For state law as to who presides at council meetings, quorum, and prohibited voting by any member having a personal interest other than as a citizen on a question before the council, see W. Va. Code, §8-9-1.

Sec. 2-16. Same--Annual tax estimate and levy.

Each year the city council shall fix a date and hour between the seventh and twenty-eighth days of March, and at the time so fixed the council shall meet in public session in the council chamber at the city building and then and there proceed with the transaction of the business which is the subject of section 11-8-14 of the Code of West Virginia. Upon completion of that business, the session shall stand adjourned until the same meeting hour on the next following third Tuesday in April, at which time it shall reconvene and the council shall proceed in conformity with the provisions of section 11-8-14a of the Code of West Virginia.

For state law requirement that the city recorder forward a fiscal statement to state tax commissioner and publish a copy thereof immediately following the council meeting in March, see W. Va. Code, §11-8-14.

Sec. 2-17. Same--Biennial organizational.

(a) Prior to the first regular meeting in July of each odd-numbered year the mayor-elect, the recorder-elect and the councilmen-elect shall meet in special public session in the council chamber and shall be called to order by the incumbent mayor or, in his absence, by the incumbent recorder or, in the absence of both the incumbent mayor and the incumbent recorder, by the eldest councilman or councilman-elect, whereupon those

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officers-elect who have not as yet taken the prescribed oath of office shall do so before an officer who is authorized by law to administer oaths, at which time they shall be deemed to have qualified for the office to which they, respectively, have been elected; provided, that no officer who is required to give bond shall be deemed to have qualified until such bond has been given, except for the specific purpose of participating and voting in this particular meeting and any adjourned session thereof.

For state law as to oath of office of municipal officers, see W. Va. Code, §§8-5-8, 6-1-3, 6-1-4.

(b) The city council shall then proceed to adopt, readopt or amend rules governing the official conduct of its members and the transaction of its business, and the failure to do so shall have the effect of continuing in force the rules of the preceding council. ~~The council shall then proceed to consider and act upon~~ other matters of an organizational nature such as filling vacancies in appointive offices which are within the appointive authority of the council or of the mayor and council; but no such office shall be deemed vacant when it is in fact held by an incumbent unless the office be declared vacant by a majority vote of the council.

For state law as to filling vacancies in elective municipal offices, see W. Va. Code, §8-5-10. As to authority to adopt rules for the transaction of business and the government and regulation of municipal governing bodies, see W. Va. Code, §8-12-5, subsec. (45).

Sec. 2-18. Meetings to be public except when in executive session.

All meetings of the city council shall be open to orderly members of the public; provided, that the council when sitting as a committee of the whole may go into executive session and exclude all persons from attending such executive session except those whose presence is deemed necessary by such committee of the whole; and provided further, that the committee of the whole shall not reconstitute itself as the city council until the executive session is terminated and the meeting is again open to orderly members of the public.

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For state law as to requirement for open meetings, with certain exceptions, of governing bodies of municipal corporations, etc., see W. Va. Code, ch. 6, art 9A.

Sec. 2-19. Procedure when meeting lacks quorum.

It shall be lawful for any two or more members of the city council who have assembled at a time appointed for a meeting thereof, and a quorum is not present, to recess temporarily or to adjourn to a subsequent time, and to cause the sergeant at arms to compel the attendance of the absent members or give notice to the absent members of the time to which adjournment has been made, requiring their attendance at such adjourned meeting.

Sec. 2-20. Sergeant at arms.

It shall be the duty of the chief of police to attend all meetings of the city council, or cause a competent policeman to do so, to serve as sergeant at arms and maintain order in the council chamber and in the immediate vicinity thereof; and to execute all lawful orders and process directed to him by the council or by its presiding officer.

Sec. 2-21. Recorder to attend meetings and keep journal of council; taking of ayes and noes.

The recorder shall attend all meetings of the city council and shall keep, in a well bound book, which may be known as the journal, an accurate record of all its proceedings, which shall be fully indexed and open to the inspection of all interested persons. Upon request of any member of the council the ayes and noes on any question shall be taken and entered upon the journal.

For state law as to journal and record of council meetings and entry of yeas and nays in journal, see W. Va. Code, §8-9-3. As to duty of recorder to keep journal of proceedings of the council, see W. Va. Code, §8-10-3.

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Sec. 2-22. Order of business at meetings.

At each meeting of the city council the roll shall be called and members shall be recorded in the journal as present or absent. The subsequent proceedings at any regular meeting shall then be as specified in the order below, except as may be provided otherwise under the rules of the council:

1. Call to order by mayor.
2. Roll call by recorder.
3. Reports and grievances of citizens.
4. Reading of the minutes of previous meeting by recorder.
5. Action on accounts.
6. Communications from the mayor.
7. Reports from committees.
8. Other business.
9. Adjournment.

For state law as to reading and correction of minutes of preceding meeting, see W. Va. Code, §8-9-3.

Sec. 2-23. Ordinances--Generally.

The action of the city council shall be by ordinance in all cases enumerated in section 8-11-3 of the Code of West Virginia, except as may be otherwise provided by the Code of West Virginia; and the requirements and procedures set out in section 8-11-4 of the Code of West Virginia shall be adhered to by the city council with respect to the introduction, action upon and passage of all ordinances.

As to effect of repeal or expiration of ordinance, see §1-6 of this Code. As to general penalty for violation of ordinances, see §1-7.

Sec. 2-24. Same--Attestation; Record of Ordinances.

Each ordinance, upon its final passage, shall be signed by the presiding officer of the city council and attested by the recorder, who shall then number it consecutively and record it in the Record of Ordinances.

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Sec. 2-25. Same--Ordinances to repeal, amend or add to provisions of this Code and records thereof.

(a) Each bill which proposes an ordinance to repeal, amend or add to any portion of this Code, and each bill which proposes an ordinance of a general and permanent nature suitable for inclusion in this Code though constituting new subject matter not therein contained, shall be drafted so as to specify the specific section numbers, subsections, etc., of this Code which are to be repealed or amended and, with respect to additions and to new subject matter, so as to provide appropriate chapter, article, section, etc., numbers therefor; and each amendment of and addition to this Code shall be set out in full and appropriate chapter and article headings and section catchlines shall be included.

(b) Upon the adoption of an ordinance to repeal, amend or add to any portion of this Code, or to include new subject matter in this Code, the recorder shall separate the several chapters, articles, sections, etc., of such ordinance and enter them in their proper places in each file copy of this Code and shall remove therefrom any portion so repealed or amended, and in the margin of each insertion in the file copies of this Code he shall note and initial the date of passage, effective date and number of the amending or repealing ordinance.

(c) Items removed from the file copies of this Code pursuant to subsection (b) of this section shall be maintained by the recorder in a separate, loose-leaf volume, arranged properly according to their respective chapters, articles, sections, etc., and each item so removed from the file copies of this Code shall, in the margin of each such item, be noted and initialed by him to show the effective date and the number of both the enacting and repealing or amending ordinances. The volume in which such repealed and amended items are to be included shall be known as the "Record of Repealed and Amended Portions of the Code of the City of Lewisburg, West Virginia," the purpose of which is to enable city officers and other persons interested to ascertain the status of this Code at any given time in the past.

(d) The requirements of subsection (b) of this section are in addition to the requirement that each ordinance, upon adoption, shall be included in the Record of Ordinances.

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Sec. 2-26. Resolutions and record thereof.

(a) Each resolution shall, before its introduction, be reduced to writing and, when adopted, shall be signed by the presiding officer and attested by the recorder, who shall then date and number it and file it in his office in a book for that purpose which shall be known as the "Record of Resolutions."

(b) Resolutions and portions of resolutions which are repealed or amended by subsequent resolutions or ordinances shall be noted and initialed in the margin thereof by the recorder so as to show the date and number of the repealing or amendatory ordinance or resolution, but shall not be removed from the Record of Resolutions.

Sec. 2-27. Rules.

~~The city council may by resolution adopt such rules as may be deemed desirable for the conduct of its meetings, the transaction of its business and the official conduct of its members, and may include therein reasonable penalties for the violation thereof; but no such rule shall be inconsistent with the state law or this Code. Such rules may include, among other subjects, the following:~~

(a) Appointment, jurisdiction and duties of standing and special committees of the council.

(b) Attendance at meetings of the council by members and by others.

(c) Investigations and hearings, and compulsory attendance thereof of witnesses and the production of books and papers.

(d) Parliamentary procedure.

(e) Preservation of order at meetings.

(f) Manner and form of petitions, applications and other papers intended for presentation to the council and procedures relating thereto.

(g) The order of business at regular meetings.

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Sec. 2-28. Disorderly conduct, etc., prohibited at meetings of council and council committee.

(a) It shall be unlawful for any person to behave in a boisterous or disorderly manner at any meeting of the city council or any committee thereof, or to cause a disturbance thereat, whether by force, shouting or other words or action tending to disrupt such meeting, or to fail or refuse to obey any ruling or order of the officer presiding at such meeting relative to the orderly procedure thereof.

(b) Boisterous or disorderly behavior within the purview of subsection (a) of this section shall include, but is not limited to, any of the following acts:

(1) Contemptuous or insolent behavior towards the presiding officer or any member of the city council or committee of the council, or its clerk, sergeant at arms or any other officer, while the council or committee is in session;

(2) Any breach of the peace, wilful disturbance, or indecent conduct in the presence of such council or committee while so engaged, or so near as to obstruct or interrupt its proceedings;

(3) Violence or threats of violence to any member of such council or committee or any officer, witness, or party going to, attending, or returning from, any council or committee proceeding in respect to anything done or to be done in the course of such proceeding;

(4) Wilful resistance to any lawful order of the presiding officer or sergeant at arms at any such meeting.

(c) The presiding officer of the city council or of any committee of the city council shall have plenary power to order that the council chamber and adjacent areas be cleared, or any part thereof, or any person or persons ejected from the council chamber or adjacent areas, in the event of disorderly conduct or disturbance which does or tends to interrupt or disrupt the orderly conduct of business by the council or its committee.

For state law as to authority of city council to make all needful bylaws and rules to carry into effect the authority granted to it by law, see W. Va. Code, §§8-11-1, 8-12-5, subsecs. (45), (55). As to authority

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of city council to investigate and inquire into all matters of concern to the city and its inhabitants, see W. Va. Code, §8-12-5, subsec. (48). As to power of council to compel attendance of witnesses and production of books and papers, see W. Va. Code, §8-12-2, subsec. (c).

Article III. City Officers.

As to interfering with city officers and employees, see §13-7 of this Code. As to impersonation of city officers and employees, see §13-10. As to courtesy, etc., due to and from city officers and employees, see §13-11. As to police generally, see ch. 15.

Division 1. Generally.

For state law as to oath of office, see W. Va. Code, §§6-1-3, 8-5-8. As to terms of office, see W. Va. Code, §8-5-9. As to filling vacancies in elective offices, see W. Va. Code, §8-5-10. As to authority of city, by ordinance, to determine and prescribe the offices and positions to be filled by election or appointment, prescribe the qualifications, powers, duties, etc., see W. Va. Code, §8-5-11. As to compensation of officers and employees, see W. Va. Code, §8-5-12. As to procedure for removal from office, see W. Va. Code, §6-6-7.

Sec. 2-29. Appointment and term of nonelective city officers.

All city officers other than the mayor, councilmen and recorder shall, unless otherwise provided by state law, this Code or other ordinance, be appointed by the mayor, with the approval of the city council, to serve for an indefinite term of office.

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Sec. 2-30. Multiple office holding; titles of deputies and assistants.

(a) The city council, and the mayor with the approval of the city council, may designate one person to hold two or more city offices concurrently; provided, that no elective officer shall hold concurrently any other office when to do so is prohibited by state or federal law.

(b) Any deputy or assistant to any city officer who holds two or more offices concurrently shall be designated according to the office or offices in which he is to serve as such deputy or assistant. For example, should the recorder at any time be also the city treasurer, his assistant should be designated as "assistant recorder and city treasurer," if he is in fact the assistant in both of those offices; otherwise, he should be designated as "assistant recorder" or "assistant city treasurer," according to the fact.

Sec. 2-31. Limited authority to administer oaths; false swearing.

The mayor, the presiding officer of the city council or any committee thereof, the presiding officer of any board, commission or other body of the city government, the recorder, the city treasurer and each other officer, deputy or assistant officer of the city to whom any sworn statement, whether oral or in writing, is required to be made or submitted by any person pursuant to any provision of this Code or other ordinance or resolution of the city council shall have authority to administer the oath so required; provided, that nothing in this section shall be construed as purporting to authorize the taking of any acknowledgment of any signature or seal for the purpose of recording elsewhere than in the office of the recorder or some other office of this city.

It shall be unlawful for any person to whom an oath has been administered pursuant to this section to knowingly make any false certificate, affidavit or statement, oral or written, concerning any matter whatsoever in violation of such oath.

Division 2. Specific Officers.

Sec. 2-32. Mayor.

The mayor shall be the chief executive officer of the city, and he shall see that all provisions of this Code and other ordinances, orders, acts, resolutions, rules and regulations of the city council are faithfully executed. He shall have control of

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the police of the city and may appoint special police officers whenever he deems it necessary, except when otherwise provided by law, and it shall be his duty especially to see that the peace and good order of the city are preserved, and that persons and property therein are protected; and to this end he may cause the arrest and detention of all riotous and disorderly individuals in the city before a warrant for arrest is issued. He shall, from time to time, recommend to the city council such measures as he may deem needful for the welfare of the city; and he shall have such other powers and perform such other duties as may be prescribed for him by law, this Code or other ordinance or resolution of the city council.

For state law as to powers and duties of mayors of municipal corporations, see W. Va. Code, §8-10-1.

Sec. 2-33. Recorder; acting mayor during illness or absence of mayor.

(a) It shall be the duty of the recorder to keep the journal of the proceedings of the city council, and he shall have charge of and preserve the records of the council.

(b) Whenever the mayor is unable because of illness or absence from the city to perform the duties of his office, and during any vacancy in the office of mayor, the recorder shall perform the duties of the mayor and be invested with all of his power and authority.

(c) The recorder shall be custodian of all city records, books, documents, correspondence and other instruments and papers for which the custody is not otherwise provided, and he shall certify to all true copies thereof for persons entitled thereto by law and shall charge therefor such fees as may be prescribed by resolution or order of the city council. The recorder shall issue all city licenses and permits, except as may be provided otherwise; and he shall have such other powers and perform such other duties as may be provided for the office of recorder by state law, this Code or other ordinance, resolution or order of the city council.

For state law similar to subsections (a) and (b) of this section, see W. Va. Code, §8-10-3.

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Sec. 2-34. City treasurer.

(a) Except as may be otherwise provided in this Code or by state law, the city treasurer shall collect all taxes, fines, special assessments and other money due the city, and shall receive from all city officers and employees money paid to them for the city, and all city money so collected or received by him shall be deposited promptly in the depositories designated for such purpose by the city council. He shall not pay out any money of the city except as it shall have been apportioned and ordered by the city council to be paid, and he shall sign all checks, drafts and warrants against the city treasury or any depository of the city. The city treasurer shall have such other powers and perform such other duties as may be prescribed for such office by state law, this Code or other ordinance, resolution or order of the city council.

(b) The city treasurer shall keep complete and accurate fiscal accounts and records as required by law and in the manner prescribed by the state tax commissioner and other state officers having authority to prescribe therefor, and in accordance with directives from the city council; and he shall render such reports as may be required of him by law, this Code or other ordinance, resolution or order of the city council.

(c) The city treasurer shall have power to collect all debts owing to the city by appropriate civil action in any court of competent jurisdiction.

For state law as to collection by city treasurer of all taxes and other money due the city, see W. Va. Code, §§8-13-15 and 8-13-16.

Sec. 2-35. Administrative Assistant.

The Administrative Assistant shall supervise the personnel and procedures of all functions of all departments of the city and shall exercise only the powers and authority proscribed by the mayor, council, and/or city ordinances. He shall supervise employees assigned to him by the mayor or city council and be responsible for the preparation of applications, coordination and submission of applications for all federal, state and county funds requested by the city. He shall receive and resolve whenever possible, complaints and grievances from citizens that cannot be resolved at the departmental level and he shall be generally in charge of personnel matters including personnel records, accep-

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tance of applications and advertisements for applicants, sick leave, coordination of vacation and days off and such other responsibilities as the mayor or council from time to time shall assign. He shall perform all other duties and responsibilities assigned to him by the mayor, council or required by ordinance.

Sec. 2-36. City attorney.

The city attorney shall be the legal adviser and counselor of the city council and all other officers of the city. He shall represent the city in all courts in all proceedings in which the city, or any city officer or employee in his official capacity, is a party, and he shall perform such duties incidental to his office as may be required of him by the city council. The city attorney shall receive such regular compensation, and such fees for special services, as may be agreed upon by the city council and the city attorney.

The city may designate a firm of attorneys to perform the duties required of the city attorney in which case the firm so designated shall have all the responsibilities of the city attorney's office as would be required of an individual attorney appointed to such position.

Division 3.

Miscellaneous Restrictions of Personnel.

Sec. 2-37. Business dealings.

Except for the receipt of such compensation as may be lawfully provided for the performance of his municipal duties, it shall be unlawful for any municipal officer or employee to be privately interested in, or to profit, directly or indirectly, from business dealings with the municipality.

Sec. 2-38. Acceptance of gratuities.

No municipal officer or employee shall accept any money or other consideration or favor from anyone other than the municipality for the performance of an act which he would be required or expected to perform in the regular course of his duties; nor shall any officer or employee accept, directly or indirectly, any gift, gratuity or favor of any kind which might reasonably be interpreted as an attempt to influence his actions with respect to city business.

Lewisburg City Code

Sec. 2-39. Outside employment.

No full-time officer or employee of the municipality shall accept any outside employment without written authorization from the mayor. The mayor shall not grant such authorization if the work is likely to interfere with the satisfactory performance of the officer's or employee's duties, or is incompatible with his municipal employment, or is likely to cast discredit upon or create embarrassment for the municipality.

Sec. 2-40. Political activity.

Municipal officers and employees may individually exercise their right to vote and privately express their political views as citizens. No municipal officer or employee shall solicit political campaign contributions or engage in or actively participate in any political campaign. These restrictions shall not apply to elective officials.

Sec. 2-41. Use of municipal time, facilities, etc.

No municipal officer or employee shall use or authorize the use of municipal time, facilities, equipment or supplies for private gain or advantage to himself or any other private person or group. Provided, however, that this prohibition shall not apply where the governing body has authorized the use of such time, facilities, equipment or supplies, and the municipality is paid at such rates as are normally charged by private sources for comparable services.

Sec. 2-42. Use of position.

No municipal officer or employee shall make or attempt to make private purchases, for cash or otherwise, in the name of the municipality, nor shall he otherwise use or attempt to use his position to secure unwarranted privileges or exemptions for himself or others.

Sec. 2-43. Strikes and unions.

No municipal officer or employee shall participate in any strike against the municipality nor shall he join, be a member of, or solicit any other municipal officer or employee to join any labor union which authorizes the use of strikes by government employees.

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Sec. 2-44. Violations.

A violation of any section of this chapter shall be punishable by a fine of not more than five hundred dollars (\$500.00) for each separate violation.

Article IV. Personnel Regulations.

Applicability of Article.

This article shall apply to all full-time (those working not less than 30 hours per week) municipal officers and employees except those operating under the jurisdiction of a school, utility or other separate board or commission or elected or appointed city officials such as zoning officer and police judge.

Amended
9/15/92

Sec. 2-45. Vacation Leave.

Request for vacation leave shall be approved by the employee's department head and shall be taken at a time approved by the mayor or such other officer as he may designate. All officers and employees are entitled to vacation leave according to the following schedule:

After 1 year ----	5 days
After 2 years ---	10 days
After 5 years ---	12 days
After 10 years --	15 days
After 15 years --	17 days
After 20 years --	20 days

The maximum credit for accrued vacation leave under the provisions of this article shall be sixty (60) working days.

Sec. 2-46. Same--Holidays occurring during leave.

When a holiday falls on an employee's normal work day during his vacation, such holiday is not to be counted as part of the vacation. In this instance, an extra day shall be allowed for any paid holiday recognized by the city falling within the vacation period.

Amended
9/27/85

Sec. 2-47. Same--Terminal leave; payments in lieu of leave.

An employee who has resigned, or who has been laid off or dismissed, shall be entitled to and shall receive all accrued annual leave. An employee who is involuntarily separated from employment shall be entitled to all his accumulated leave and current accrued leave, and the date of his discharge shall be fixed so as to permit him to take such leave. In case of death, payment of salary will be made to date of death and any accumulated vacation time must be paid to the estate.

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Sec. 2-48. Sick leave.

Sick leave with pay shall be granted to employees when they are incapacitated for the performance of their duties by sickness, injury or confinement due to contagious disease. Sick leave not to exceed three days shall also be granted employees when a dependent or spouse of the employee is seriously ill. Each employee shall be entitled to sick leave, when and if needed, with full pay computed on the basis of one (1) working day for each complete month of service, or major portion thereof. Twelve days accumulated sick leave shall be allowed per annum. Such sick leave shall be cumulative for not more than sixty (60) days. An employee may be required to furnish a certificate from an attending physician for all consecutive days of sick leave beyond three working days. A pregnant employee may continue to work as long as her health and physical condition permit her to do so as long as she can perform her assigned duties. In case of emergency, department heads may, at their discretion, grant additional sick leave on an advanced basis, not to exceed thirty days; however, such additional sick leave will not be allowed until all sick leave and annual leave has been exhausted. Sick leave, with pay, shall not be granted to temporary, emergency or probationary employees, but shall be granted to hourly or per diem employees and shall be computed at the rate of accumulation of permanent employees. The minimum charge against sick leave shall be one-half day, and additional sick leave shall be charged in like multiples. When employment is terminated, no accumulated sick leave shall be granted. Sick leave regulations shall not apply to elected or appointed city officials.

Sec. 2-49. Military leave.

Any regular full-time employee who is a member of the national guard shall be entitled to military leave in addition to annual leave, as provided in section 15-1F-1 of the Code of West Virginia, which provides for field training or active service for a maximum period of thirty days in any one calendar year ordered or authorized under provisions of state laws. While on military leave the employee will be entitled to receive his normal salary or compensation from the city, notwithstanding the fact that an employee may receive other compensation from federal sources during the period of leave. However, no annual leave or sick leave may accrue during such service. Any employee shall be required to submit an order or statement in writing from the appropriate military officer in support of a request for military leave. The foregoing provisions pertaining to the national guard shall also apply to the employees who are members of any of the reserve components of the armed forces of the United States, but shall not apply to any service under any Selective Service Training or Service Act, or other such act whereby the president of the United

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States may order into active duty the national guard or any of the reserve components of the armed forces of the United States.

Sec. 2-50. Funeral leave.

Amended
9/27/85

In the case of the death of the mother, father, brother, sister, husband, wife, child, mother-in-law, father-in-law, or in the case of death of any other relative residing in the immediate household of an employee, the employee shall be allowed two (2) days funeral leave with regular pay without deduction from his pay or accumulated sick leave.

The employee may be allowed to use annual leave or two days of his accumulated sick leave in the case of death of any other person or as additional leave for the above designated persons.

Sec. 2-51. Civil Leave for Jury Duty.

When a permanent full-time employee is called for service as a juror such employee is entitled to leave with pay only for the actual time impaneled. Employees who are excused from jury service are required to return to work. An employee on jury duty will be expected to report daily for work before and after jury service, as may be practical, in order to give as much attention as possible to his or her duties.

Sec. 2-52. Maternity Leave.

Amended
9/27/85

An incapacity due to pregnancy shall be charged to the employee's accumulated sick leave under the same conditions applying to any illness.

Sec. 2-53. Leave of absence.

Leave of absence will not be approved under any circumstances.

Sec. 2-54. Compensatory time.

Amended
9/27/85

Any employee who is required by the mayor or department head to work overtime or on a holiday may be allowed compensatory time-and-a-half off, in lieu of pay, with the approval of the mayor or department head. Such compensatory time off must be taken in compliance with other provisions of this Code, with the laws of the State of West Virginia, and as ordered by the council from time to time.

Lewisburg City Code

Sec. 2-55. Paid Holidays.

7/85
ned

The following days, and in addition thereto any other days that may be designated by the Mayor and Council, shall be paid holidays for employees in the City service: New Year's Day, Martin Luther King's birthday, Presidents Day (3rd Monday in February), Memorial Day, West Virginia Day, Independence Day, one State Fair Day (must be taken during Fair Week), Labor Day, Veterans Day, Thanksgiving, Christmas; and when any of the said days or dates fall on Sunday, then the succeeding Monday shall be regarded, treated and observed as such legal holiday.

An employee absent without authorized leave on the last working day preceding, or the first working day following a holiday, shall not receive regular compensation for the holiday. Holidays which occur during an employee's regularly scheduled day off shall be compensated for by straight time pay or as additional shift off in lieu thereof. Such pay shall be for a normal working day at the straight hourly equivalent rate for his position. Employees who are required to work on a holiday shall be compensated therefor in accordance with departmental rules and regulations.

This section shall not be applicable to police officers and paid fire protection officers who receive legal holidays as defined by the provisions of 8-14-10a of the West Virginia Code.

Sec. 2-56. Leave records.

The mayor shall cause to be kept, for each officer and employee, a record currently up to date at all times showing credits earned and leave taken for all vacation, sick leave, compensatory time, or any other type of credit or leave allowed under the provisions of this article.

Article V. Boards and Commissions.

Division 1. Human Rights Commission.

Sec. 2-57. Title.

There is hereby established a Human Rights Commission for the City of Lewisburg, West Virginia. Said Commission shall encourage mutual understanding and respect among all racial, religious and ethnic groups within the city and shall endeavor to eliminate all discrimination by virtue of race, creed or religious belief.

Administration

Sec. 2-58. Membership.

Said Commission shall consist of seven (7) members, all residents of the City of Lewisburg and representative of the several racial, religious and ethnic groups residing in the city. The mayor of the City of Lewisburg with the approval of the council of the city, shall appoint the members of said Commission. Members shall serve for a term of two years commencing on the first day of July of the year of their appointments, provided, however, that of those first appointed, 3 shall be for 1 year and 4 shall be for 2 years. All subsequent appointments shall be for terms of two years except that appointments to fill vacancies shall be for the unexpired term thereof. Members shall be eligible for reappointment.

Sec. 2-59. Chairman.

The mayor shall designate the chairman of the commission, who shall serve for one year and until his successor is designated. The members of the commission shall elect a vice-chairman and secretary.

Sec. 2-60. Quorum.

The commission shall meet upon call of the chairman and as often as its members shall deem necessary. Any five members of the commission shall constitute a quorum for the transaction of business and a simple majority of the commission shall be required to take action relative to the same. Minutes of its meetings shall be kept by its secretary.

Sec. 2-61. Powers.

The commission is authorized and empowered

- (1) to co-operate, advise and work with the West Virginia Human Rights Commission;
- (2) to co-operate and work with federal, state and local government officers, units, activities and agencies in the promotion of more harmonious understanding and greater quality of rights between and among all racial, religious and ethnic groups in this city;
- (3) to enlist the co-operation of racial, religious and ethnic units, community and civic organizations, industrial and labor organizations and other identifiable groups in the city in programs devoted to the advancement of tolerance, understanding and the equal protection of the laws of all groups and peoples;
- (4) to encourage studies in matters and questions involving and relating to human rights and to compile and make public reports thereon;

Lewisburg City Code

Division 2. Library Board.

For state law relating to municipal libraries and library boards, see W. Va. Code, ch. 10, art.1.

Sec. 2-62. Greenbrier County Library.

The Greenbrier County Library shall be a non-profit library organized under this Ordinance and Chapter 10, Article 1, of the West Virginia Code.

Sec. 2-63. Board of Directors.

The mayor with the approval of the council of the city of Lewisburg shall appoint a board of five directors, chosen from the citizens at large of Greenbrier County with reference to their fitness for such office. The directors shall hold office for five years from the first day of July following their appointment, and until their successors are appointed and qualified; provided that upon their first appointment under this ordinance, a proportionate number shall be appointed for one year, for two years, for three years, for four years and for five years; and thereafter all appointments shall be for terms of five years. Vacancies in the board shall immediately be reported by the board to the city council and filled by appointment in like manner, and if for an unexpired term, for the remainder of that term only. A director may be removed for just cause in the manner provided by the By-Laws of the library board. No compensation shall be paid or allowed any director.

Sec. 2-64. Election of officers.

Immediately after appointment, the Board of Directors shall elect a president from its membership and such other officers as are necessary for the proper functioning and operation in accordance with By-Laws which shall be duly promulgated and adopted by the board. All officers shall hold office for one year and shall be eligible for re-election.

Sec. 2-65. Powers.

The Board of Directors shall have the power and option to delegate powers and appoint committee outside its membership for furthering the usefulness of its work and broadening the interest and worthiness of the enterprise. They shall be designated Advisory Commissioners.

Administration

Sec. 2-66. Contributions.

The Board of Directors may seek and utilize contributions or other means of a sustaining nature for the exclusive benefit of maintaining or expanding usefulness of the enterprise as may be concurred by the board and the City of Lewisburg; notwithstanding the sufficiency of appropriations or public monies that may be derived from governmental bodies and the West Virginia Library Commission.

Sec. 2-67. Annual report.

The Board of Directors shall make an annual report for the fiscal year ending June thirtieth, to the City of Lewisburg. A copy of the report shall be sent to the West Virginia Library Commission.

Sec. 2-68. Ordinance.

This Ordinance shall be the Constitution and Charter of the Greenbrier County Library.

Division 3. Historic Landmark Commission.

Sec. 2-69.

See Chapter 14 of this Code.

Division 4. Planning Commission.

Sec. 2-70.

See Chapter 14 of this Code.

Division 5. Board of Park Commission.

For state law as to authority of Board of Park Commission, see W. Va. Code, ch. 8, article 21.

Sec. 2-71. Board created.

There is created a Board of Park Commissioners for the purpose of establishing, improving, developing, operating and maintaining the Municipal Park System and recreation as provided by West Virginia Code, Chapter 8, Article 21.

Sec. 2-72. Membership.

The Board of Park Commissioners shall consist of five duly qualified citizens of the Municipality to be appointed by the mayor and approved by the council. Each member of such Board must be a resident of the city, one of whom must be a member of city council. The term of the board membership of any such member of the governing body so appointed shall continue during his term as a member of such governing body and until his successor is appointed or elected and qualified. The terms of other appointed or of elected members shall be for six years, and until their successors have been duly appointed or elected and qualified: Provided, the members of the first board to serve, one for a term of six years, one for a term of four years, and one for a term of two years. The date upon which the terms of such board members shall begin is July 1 of the year appointed. When any member of the board, during his term of office, shall cease to be a resident of the city, he shall thereby be disqualified as a member of said board and his office shall thereupon become vacant.

Article VI. Municipal Government Ethics.

Sec. 2-73. Purpose.

The Council hereby finds that the purposes of the West Virginia Governmental Ethics Act have reasonable, necessary and appropriate application to matters involving all elected and appointed municipal officials and employees, whether full or part time, who derive a salary, payment of wages or other direct remuneration from the City, and does now hereby affirm, ratify and adopt said State-defined purposes as being the same purposes of this Municipal Government Ethics Ordinance, without specifically republishing said State purposes herein.

Sec. 2-74. Adoption.

The Council further finds that for the purpose of assisting in the administration of the provisions of this Ordinance, that various statutory sections of the aforesaid State Act shall be hereby expressly adopted and incorporated as provisions of this Ordinance, except as otherwise expressly provided herein, and which said State statutory sections specifically hereby adopted and incorporated herein are as follows: (1) Sec. 6B-1-1 through 5; and (2) Sec. 6B-2-5.

Sec. 2-75. General.

Notwithstanding the affirmation and adoption of the purposes of the State Act and further the specific adoption of the selected, statutory sections which were immediately hereinbefore set forth in Sec. 2-74 hereof, the Council specifically finds that certain statutory provisions of the aforesaid State Act are either inapplicable to the administration of this Municipal Ordinance or would otherwise be unduly burdensome for the City to require and administer

and specifically, the Council finds that the purposes of the State Act and of this Ordinance can be effectively executed at the municipal level without the specific adoption and incorporation of the statutory provisions of Chapter 6B, Article 2, Sections 6 and 7 of the West Virginia Code respecting financial disclosure, and Chapter 6B, Article 3 relating to the regulation and registration of lobbyists, and which said statutory provisions the Council hereby expressly opts not to include as provisions of this Ordinance, and affirmatively elects that such provisions shall not apply to this City and its officers and employees.

Sec. 2-76. Amendment.

Any amendment to any of the aforesaid statutory provisions of the State of West Virginia which are expressly herein adopted and incorporated as provisions of this Ordinance, shall upon enactment by the State Legislature, pursuant to the State prescribed effective date thereof, be deemed to be an amendment to this Ordinance unless the City expressly opts not to adopt any such amendment by Ordinance duly adopted by the Council evidencing the non-adoption of such amendments.

Article VII. Bolling Community Center

Added
11/25/92

Art. VII Sec. 2-77. Creation, Organization.

Sec. 2-77-
3

The Bolling High School Community Center shall be a non-profit community center organized under this Ordinance and the Laws of the State of West Virginia.

Sec. 2-78. Board of Directors.

Amended
5/18/93

REPEALED
Art. VII
Sec. 2-77-

2-83
10/19/93

The Mayor with the approval of the Council of the City of Lewisburg shall appoint a Board of Fifteen Directors, chosen from the citizens at large of Greenbrier County with reference to their fitness for such office; provided however, that one such Director shall be a member of the Lewisburg City Council and one such Director shall be a member of the Bolling Alumni Association.

The Directors shall hold office for three years from the first day of July following their appointment, and until their successors are appointed and qualified; provided that upon their first appointment under this Ordinance, a proportionate number shall be appointed for one year, for two years, and for three years. Vacancies in the Board shall immediately be reported by the Board to the City Council and filled by appointment in like manner, and if for an unexpired term, for the remainder of that term only. A Director may be removed for just cause in the manner provided by the By-Laws of the Organization, and may serve no more than two (2) consecutive terms. No compensation shall be paid or allowed any Director.

Sec. 2-79. Election of Officers.

Immediately after appointment, the Board of Directors shall elect a president from its membership and such other officers as are necessary for the proper functioning and operation in accordance with By-Laws which shall be duly promulgated and adopted by the Board. All officers shall hold office for one year and shall be eligible for re-election.

Sec. 2-80. Powers.

The Board of Directors shall have the power and option to delegate powers and appoint committees outside its membership for furthering the usefulness of its work and broadening the interest and worthiness of the enterprise. They shall be designated Advisory Commissioners.

Sec. 2-81. Contributions.

The Board of Directors may seek and utilize contributions, grants or other means of a sustaining nature for the exclusive benefit of maintaining or expanding the usefulness of the enterprise as may be concurred by the Board and the City of Lewisburg; notwithstanding the sufficiency of appropriations or public monies that may be derived from governmental bodies.

Sec. 2-82. Annual Report.

The Board of Directors shall make an annual report for each fiscal year to the City of Lewisburg which shall include fiscal and operational details; provided, however, that during the first year of operation, said report shall be tendered to the Council on a quarterly basis. A copy of the report shall be made available to the public when requested.

Sec. 2-83. Constitution and Charter.

This Ordinance shall be the Constitution and Charter of the Community Center established at the former Bolling High School.

Elections

CHAPTER 6.

ELECTIONS

For state law as to composition of governing bodies of municipalities and the qualification and election of the mayor, councilmen and recorder, see W. Va. Code, §8-5-7. As to oath of office of elective officers in municipalities, see W. Va. Code §§5-8, 6-1-3, 6-1-4. As to terms of office of elective officers, see W. Va. Code, §8-5-9. As to filling vacancies, see W. Va. Code, §8-5-10. For state law as to municipal elections and petitions generally, see W. Va. Code, §§8-5-13 to 8-5-18. For the West Virginia Election Code, see W. Va. Code, ch. 3. As to who is entitled to vote at municipal elections, see W. Va. Code, §3-1-3. As to registration of voters, see W. Va. Code, ch. 3, art. 2.

- § 6-1. Election regulations.
- § 6-2. Permanent registration of voters--Established.
- § 6-3. Same--Duties of recorder
- § 6-4. Establishment of voting precincts.
- § 6-5. Regular city elections for mayor, recorder and councilmen; special elections.
- § 6-6. Precinct election officials.
- § 6-7. Qualifications of candidates for office of mayor, recorder and councilman.
- § 6-8. Notice of election of city officers.
- § 6-9. Nominations, nominating conventions and certification of candidates.
- § 6-10. Ballots.
- § 6-11. Canvass.

Sec. 6-1. Election regulations.

(a) The general laws of the State of West Virginia shall apply to and control, as near as may be, all procedures relating to elections, except as such laws relate to political parties or partisan procedure. The city council shall be the municipal election authority, and may prescribe other rules for the conduct of other elections not inconsistent with general law or the provisions of this chapter.

Lewisburg City Code

For state law as to applicability of state election laws to municipal elections, see WV Code §8-5-6.

(b) The powers and duties prescribed by state law for county commissions shall devolve upon the city council, and the powers and duties prescribed by state law for clerks of circuit courts and for clerks of county commissions shall devolve upon the recorder, insofar as the state law may be made applicable to municipal elections and subject to the provisions of this chapter.

Sec. 6-2. Permanent registration of voters--Established.

Pursuant to section 8-5-13 of the Code of West Virginia, the conduct of all city elections shall be integrated with the system of "permanent registration of voters" as set out in article 2, chapter 3 of the Code of West Virginia, the provisions of which, insofar as they are applicable to this city, are hereby adopted and made a part of this chapter.

Sec. 6-3. Same--Duties of recorder.

At least one day prior to each election of this city, it shall be the duty of the recorder to procure from the office of the clerk of the county commission of Greenbrier County the municipal registration records necessary for the conduct of such election. Such records shall, within ten days after the date of the municipal election, be returned to the office of the clerk of the county commission by the recorder.

For similar provisions of state law, see WV Code, §3-2-27.

Sec. 6-4. Establishment of voting precincts.

For the purpose of all municipal elections of the City, the City Council shall divide the City into election precincts, shall number the precincts, shall number and establish the boundaries thereof and shall designate one voting place in each precinct, which place shall be established as nearly as possible at the point most convenient for the voters of the precinct. The City shall have at least one voting precinct and each precinct shall have but one voting place therein.

The City shall keep available at all times during business hours in City Hall at a place convenient for public inspection a map or maps of the City with current boundaries of all precincts.

The City Council shall provide for making the precincts coincide, as nearly as possible, to the boundaries of the voting precincts fixed by the County Commission for all state and county elections.

Sec. 6-5. Regular City Elections for Mayor, Recorder and Councilmembers;
Special Elections.

The regular election for the choice of a mayor and for two members of the City Council or for a recorder and for three members of the City Council, as their respective terms expire, shall be held on the second Tuesday in June in odd-numbered years, and whose term of office shall begin on the first day of July following such election and continue for four years or until their successors are elected and qualified, unless sooner removed in the manner hereinafter provided. However, at the election held on the second Tuesday in June, 1993, the Mayor and two members of the City Council shall run for a two-year term and the Recorder and three members of the City Council shall run for a four-year term, thereby creating staggered or overlapping four-year terms of office for elected officials.

The City Council may, by Resolution, order a special election at any time to determine answers to questions to be submitted or for the election of a new Council by the qualified electors of the City. Any special election of the Council shall be held as nearly as is practicable according to the provisions for a regular election.

For state law as to date of regular elections for municipal officers, see WV Code, §8-5-5.

Sec. 6-6. Precinct election officials.

The Recorder, shall have the authority to appoint, subject to the approval of the City Council, a single election board or a double election board, one to receive and one to count, in each precinct in the City. For each election board the Recorder shall appoint subject to the approval of the City Council, three commissioners and two clerks to serve as election officials in each precinct of the City. If the election is conducted by two election boards, both the reviewing and the counting boards shall conclude the counting of the votes cast, the tabulating and the summarizing of the number of votes cast, unite in certifying and attesting to the returns of the election. The election officials shall, as soon as possible after closing of the polls on election day, deliver to the Recorder the ballots, tally sheets, certificates of the results of the election, registration records, ballot boxes and other election supplies.

Sec. 6-7. Qualifications of candidates for office of mayor, recorder and councilmen.

Candidates for the office of Mayor, Recorder or Councilmen must be residents of the City, and must be qualified voters entitled to vote for members of its governing body.

*For similar provisions of state law, see WV Code,
§ 8-5-7, subsec. (c).*

Sec. 6-8. Notice of Election of City Officers.

The Recorder shall cause to be published by the first Tuesday of March prior to each election of City Officers, in a newspaper of general circulation within the City, a "Notice of Election", in the following form:

"There will be an election held in the City of Lewisburg, Greenbrier County, West Virginia, on the second Tuesday in June, 19___, for the purpose of electing a Mayor and two Councilmembers (or a Recorder and three Councilmembers). Conventions for the purpose of nominating candidates must be held, and all candidates nominated and certified to the undersigned by the 3rd Tuesday in March prior

Amended 9/16/84
" 11/17/.

Amended 3/20/84

Amended 3/20/84

Amended 2/16/83
9. 6
3/16/93

Lewisburg City Code

to the election. Rules and regulations governing the calling and conducting of nominating conventions and certification of the results thereof, may be obtained at the City Building, 119 W. Washington Street, Lewisburg, West Virginia, 24901.

Recorder "

Sec. 6-9. Nominations, nominating conventions and certification of candidates.

The secretary of the Citizens Party or of the Peoples Party or any five qualified voters residing in the City of Lewisburg may call a convention for the purpose of nominating candidates for the offices of mayor, recorder and councilmen by posting or publishing notice of the date, time and place of the convention, in the manner hereinafter provided, at least three days prior to the convention. Such notice may be published in a newspaper of general circulation in the City of Lewisburg, Greenbrier County, West Virginia, or may be posted at three public places located within the city. Each such notice shall be signed by the qualified voters calling for the convention. The convention shall be conducted in a parliamentary manner and Robert's Rules of Order (latest edition) shall govern all proceeding before the convention. Within twenty-four hours from the adjournment of the convention, the secretary of the convention shall certify to the recorder the candidates nominated for the offices of mayor, recorder and councilmen.

Sec. 6-10. Ballots.

The ballots shall be prepared by the Recorder. The full names of all candidates nominated for mayor shall be arranged under the heading "Mayor". The full names of all candidates for the office of recorder shall be arranged under the heading "Recorder". The full names of all candidates nominated for council shall be arranged under the heading "Council". Candidates shall be listed under the respective categories as determined by drawing to be held at 9:00 a.m. on the fourth (4th) Tuesday after the close of nominations.

The ballots shall bear instructions as to the number of candidates for each office for whom voters are entitled to vote. Candidates may file a written request for withdrawal of their name(s) from the ballot until the third (3rd) Tuesday after the close of nominations.

Sec. 6-11. Canvass.

The City Council shall be ex officia a board of canvassers and, as such, shall keep a complete record of all their proceedings and ascertaining and declaring the results of every election in the City. They shall convene as such canvassing board at City Hall on the 5th day (Sundays excepted) after every election held in the City and declare the results from such election.

CITY OF LEWISBURG
REIMBURSEMENT RESOLUTION

RESOLUTION STATING THE REASONABLE EXPECTATION OF THE CITY OF LEWISBURG TO REIMBURSE THE CITY FOR CAPITAL EXPENDITURES IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF WATER SYSTEM FACILITIES AND IMPROVEMENTS MADE PRIOR TO THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS

WHEREAS, the City of Lewisburg (the "CITY") has determined to acquire and construct certain improvements to the City's existing water distribution system (the "System"), including, but not limited to, City of Ronceverte interconnection project, such acquisition and construction herein called the "Project" and the cost thereof estimated not to exceed \$929,000;

WHEREAS, the City will finance all, or a portion of, the costs of construction of the Project through the issuance of tax-exempt water revenue bonds, in one or more series, in an aggregate amount not to exceed \$929,000 (the "Bonds");

WHEREAS, the City expects that it will make certain capital expenditures related to the Project prior to the issuance of the Bonds;

WHEREAS, such costs will be paid from the City's renewal and replacement account and/or revenue account for the System (collectively, the "Renewal and Replacement and/or Revenue Accounts"); and

WHEREAS, the City expects that the City will reimburse such Account for a portion of the cost of the Project in an amount not to exceed \$400,000, from the proceeds of sale of the Bonds,

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEWISBURG AS FOLLOWS:

Section 1. The City Council of the City of Lewisburg reasonably expects that the CITY will reimburse itself for certain capital expenditures made not more than 60 days prior to the date of adoption of this resolution (and after the date of such adoption, but prior to the issuance of the Bonds) in connection with the Project, such capital expenditures to be undertaken or incurred prior to the execution and delivery of the Bonds, from the proceeds of such Bonds, which are reasonably expected to be executed and delivered within 18 months from the later of (i) the expenditure for payment of said costs or (ii) the placing of the Project in service.

Section 2. This Resolution is intended to constitute a "declaration of official intent" pursuant to Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended (the "Reimbursement Regulations").

Section 3. The source of payment for such capital expenditures will be the City's Renewal and Replacement and/or Revenue Accounts, and upon issuance of the Bonds, proceeds thereof not to exceed the amount of such capital expenditures will be applied to reimbursement of such Renewal and Replacement Account, such allocation to be made within 30 days following the date of issuance of the Bonds and to not exceed \$400,000.

Section 4. The maximum principal amount of Bonds to be issued for the Project is expected to be \$929,000.

Section 5. The City shall provide written evidence of all reimbursement allocations within 30 days following issuance of the Bonds.

Section 6. This Resolution shall become effective on the date of its adoption.

Adopted this 10th day of March, 2009.

CITY OF LEWISBURG

By: Jed Neuberger
Its: Mayor

Seal

Shannon Minneman, CMC
recorder

**Minutes of City Council
Special Session
Organizational Meeting
July 2, 2007**

The Council of the City of Lewisburg met in an Organizational Meeting on Monday, July 2, 2007 at 7:30 p.m. in the Paul R. Cooley Council Chamber at Lewisburg City Hall.

PRESENT: Mayor John Manchester, Recorder Shannon Ninnemann; Council member Mark Bowe, Mark Etten, and Wade McClure.

ABSENT: Council member Beverly White and Vivian Conly

VISITORS: Reporters; Heather Blake of the *WV Daily News*, Christian Giggenbach of the Beckley Register Herald and Connie Manchester.

CALL TO ORDER: Mayor Manchester called the meeting to order at 7:30 p.m.

Oath of Office

Judge Jim Rowe administered the oath of office for newly elected Council member Mark Bowe and Mayor, John Manchester.

**ADOPTION, READOPTION OR AMENDMENT OF RULES GOVERNING THE
OFFICIAL CONDUCT OF COUNCIL AND RULES GOVERNING THE**

TRANSACTIONS OF COUNCIL BUSINESS: Mayor Manchester proceeded to discuss the following items relating to the conduct of Council business:

1. Robert's Rules of Order will be followed.
2. He affirmed this Council's commitment to open meetings following the West Virginia Open Governmental Proceedings Act.
3. Mayor Manchester stated that his role at Council meetings would be to administer the meetings, and he does not plan to vote on issues unless a tie must be broken. Recorder Ninnemann stated that she does not plan to vote on issues to maintain an odd number of votes, but would vote if necessary to break a tie if she were called upon to do so.
4. Council agreed to continue to offer an invocation, but would strive to be open and inclusive of all faiths. Recorder Ninnemann will lead the invocation unless a special guest has been invited to do so.
5. Council agreed to continue to recite the Pledge of Allegiance. Councilmember White will lead.
6. Committee Chairs will give committee reports at the Council meetings unless a written report has been disseminated.

7. Visitors may sign up before the Council meeting begins to speak at the Council meeting, but limited to ten minutes if not on the agenda. Speakers may defer their comments until the item is discussed on the regular agenda.
8. Council agreed to hold Finance Committee meetings at 7:00 p.m. on the Tuesday preceding the Council meeting in the Paul R. Cooley Council Chamber. Council agreed to hold the Public Works Committee meetings at 4:30 p.m. on the Tuesday preceding the Council meeting in the Paul R. Cooley Council Chamber. A time and date for Public Safety Committee meetings will be announced as needed. Notices of regularly scheduled meetings will be posted on the front of City Hall.
9. The meeting focus will include full discussion of issues in a courteous, professional, and business-like manner with the encouragement of active discussion.
10. The administration and Council may invite the City Attorney to attend a Council meeting by using his or her best judgment in the use of public funds to pay for the attorney's presence.
11. Councilmembers wish to continue to receive as much information as possible through e-mail. No decision-making will occur through email.
12. Councilmembers declined the invitation to receive business cards.
13. Council will continue to be paid quarterly.

APPOINTMENT OF CITY OFFICERS: Mayor Manchester offered the nominations for the following list of appointments for City Officers:

Chief of Police	Tim Stover
Municipal Court Judge	Wayne Pennington
Asst. Municipal Court Judge	Ken Gazaway
Municipal Court Clerk	Janet Johnson
Fire Chief	Wayne Pennington
City Attorney	Jesse O. Guills, Jr.
Treasurer	Susan Honaker
Municipal Clerk	Shannon Ninnemann
Administrative Zoning Officer	Ken Tubbs
Council Rep. to the Planning Commission	Mark Etten
Administrative Rep. to the Planning Commission	John Manchester
City Administrator	John Manchester

Council member Bowe made a motion to accept the appointment of city officers as presented. Council member McClure seconded the motion. With 3 in favor and 2 absent (White & Conly) the motion carried.

APPOINTMENT TO COUNCIL COMMITTEES: Mayor Manchester made the following Council Committee appointments:

Finance:	Public Safety:	Public Works:
Chair- McClure	Chair-Councilmember Conly	Chair-Council member McClure
All Council members	Councilmember Etten	Councilmember Bowe
Treasurer Honaker	Mark Carver, Staff Liaison	Mayor Manchester
Mayor Manchester	Mayor Manchester	Mark Carver
	Wayne Pennington	
	Tim Stover	
	Ken Tubbs	

Councilmember McClure made a motion to accept the Committee appointments presented by Mayor Manchester. Councilmember Etten seconded the motion. With 3 in favor and 2 absent (White & Conly) the motion carried.

ADJOURNMENT: With no additional business to come before Council, Councilmember Etten moved to adjourn the meeting. The motion was seconded by Councilmember Bowe, and duly carried. The meeting adjourned at 7:50p.m.

Date: _____ Mayor: _____ Recorder: _____

**The City of Lewisburg
Finance Committee
Meeting Minutes
July 12, 2005
The Paul R. Cooley, Jr., Council Chambers**

PRESENT: Chairman Wade McClure, Mayor John Manchester, Council members: Vivian Conly, Mark Etten, Tabatha Light, and Beverly White, Recorder Shannon Ninnemann, Treasurer Susan Honaker, City Attorney Jesse Guills, Jr., Public Works Director Mark Carver, Chief of Police Tim Stover, Fire Chief Wayne Pennington, Personnel Director Bonita Sienkiewicz, Zoning Officer Ken Tubbs, and Members of Greenbrier County Library Board of Directors: Ann Farrar, Helen Harless and Mardi McMillion.

CALL TO ORDER: Chairman Wade McClure called the meeting to order at 7:00 p.m.

COUNCIL OATH OF OFFICE

Mayor John Manchester administrated the oath of office to the council members elected to office in the June 14, 2005 election. The council members were Mark Etten, Wade McClure, Vivian Conly, Tabatha Light and City Recorder Shannon Ninnemann. ✓

APPROVAL OF MINUTES

Mark Etten made a motion to approve the June 15, 2005 Finance Committee meeting minutes as presented. Beverly White seconded the motion. The motion carried unanimously.

GREENBRIER COUNTY LIBRARY LEASE AND PARTICIPATION AGREEMENTS

Mayor John Manchester stated that the progress on the construction of a new library is at the point where the city must enter into the discussion.

Jesse Guills, city attorney advised that they had received a draft of a lease and participation agreement dated July 12, 2005.

The city attorney advised the council that New River Community and Technical College had taken possession of the property on July 1, 2005. The property had previously been in the name of Bluefield State College. The new library is to sit on a lot of four plus acres. Construction of the library is being funded in part with funds received from Higher Education Bonds in the amount of \$1 million and the balance is from donations received by the Library Board of Directors. The total cost of the library is 3 million dollars.

The lease agreement calls for a 30 year lease with the option to purchase at end of the lease for one dollar. The lease will coincide with the length of the bonds issued.

The committee questioned the City's obligation to fund the construction of the library if the board of trustees did not raise sufficient funds to complete construction. Jesse Guills stated that the City is not obligated to finish the project.

Helen Harless, Chairman of the Greenbrier County Library Board of Directors, stated that the architect had informed the Board the money they have to date would last until spring 2006. She stated that it is the Board's intent to start construction in August 2005 and when the money runs out acquire a construction loan to complete the project. The Board would continue to solicit donations while construction is in progress. The committee acknowledges there are no assurances that the Library Board could raise the additional monies necessary to complete the project.

Vivian Conly made a motion to recommend to council the adoption of a resolution endorsing the Library Project with a review by the Building Commission as to the financial requirements that maybe necessary to complete the project. Tabatha Light seconded the motion. With all in favor, the motion carried.

FINANCIAL STATEMENTS

General Fund Period 12 Statement

Chairman McClure pointed out that the following revenue has a shortfall property tax, wine and liquor tax and municipal service fees. Chairman McClure also noted that the unencumbered balance had declined by \$68,000. The beginning unencumbered balance was \$279,575 and the balance as of June 30, 2005 is \$211,000.

Mark Etten made a motion to recommend the approval of the General Fund Financial Statement Period 12 to the council. Vivian Conly seconded the motion. With all in favor, the motion carried.

Coal Severance Fund Period 12 Statements

Mark Etten made a motion to recommend the approval of the period 12 Coal Severance Financial Statement to council. Beverly White seconded the motion. With all in favor, the motion carried.

Park Fund Period 12 Statement

Mark Etten made a motion to recommend the approval of period 12 Park Fund Financial Statement to council. Beverly White seconded the motion. With all in favor, the motion carried.

Sanitation Fund Period 12 Statement

Chairman McClure noted that the revenues for the Sanitation Fund were down for period 12 and requested the Treasurer and Public Works Director investigate the reason.

Vivian Conly made a motion to recommend to council the approval of the period 12 Sanitation Fund Financial Statements. Beverly White seconded the motion. With all in favor, the motion carried.

Water Fund Period 12 Statement

Chairman McClure noted that revenues for the water fund for period 12 were down and requested the Treasurer and Public Works Director investigate the cause.

Beverly White made a motion to recommend to council the approval of the Water Funds period 12 financial statements. Tabatha Light seconded the motion. With all in favor, the motion carried.

Chairman Wade McClure advised the Department Heads that their presence was requested at the Finance Committee meetings to discuss their budgets and to explain any discrepancies

PERSONNEL CLASSIFICATIONS

Personnel Director Bonita Sienkiewicz presented the Committee with a copy of the City of Blacksburg pay scale with classifications and inquired if this was what the committee had in mind when considering classifications.

Mark Etten stated that the classifications need a range.

The Committee charged the Personnel Director to review Blacksburg's chart and the Public Works Director suggestion and develop a recommendation for the next Finance Committee meeting.

INVESTMENTS

Treasurer Susan Honaker informed the Committee that there are two certificates of deposit scheduled to mature in the near future. First National Bank of Peterstown is to mature September 10, 2005 and Citizens National Bank is to mature November 15, 2005.

Vivian Conly made a motion to cash in the maturing certificate of deposits with the administration of the City to present recommendations for reinvestment at a future meeting. Beverly White seconded the motion. With all in favor, the motion carried.

BUDGET REVISION NUMBER ONE GENERAL AND COAL SEVERANCE FUNDS FISCAL 2006

Beverly White made a motion to recommend the approval of the budget revisions for the General and Coal Severance Funds for fiscal year 2006 as presented. Tabatha Light seconded the motion. With all in favor, the motion carried.

COMPRESHENSIVE PLAN- FUNDING OPTIONS

Mayor Manchester explained to the Committee that the City has experienced flat earning for several years with cost increasing. He reviewed the unmet needs addressed in the Comprehensive Plan and needs identified by department heads. Mayor Manchester presented the Committee a list of possible revenue sources and requested direction from the committee as how the administration is to proceed.

Beverly White made a motion to direct the administration to begin research into four revenue sources for the council meeting Tuesday, July 19, 2005. The revenue sources are as listed increase in municipal service fees, increase hotel/motel tax, fire service fees and business and occupation tax. Tabatha Light seconded the motion. With all in favor, the motion carried.

ADJOURNMENT

Mark Etten made a motion to adjourn the meeting at 10:35 p.m. Beverly White seconded the motion. With all in favor, the meeting adjourned.

Respectively submitted
Susan Honaker, Treasurer

**Minutes of City Council
Special Session
Organizational Meeting
June 28, 2005**

The Council of the City of Lewisburg met in an Organizational Meeting on Tuesday, June 28, 2005 at 7:30 p.m. in the Paul R. Cooley Council Chamber at Lewisburg City Hall.

PRESENT: Mayor John Manchester, Recorder Shannon Ninnemann; Councilmember Vivian Conly, Mark Etten, Tabatha Light, Wade McClure and Beverly White.

VISITORS: Reporters; Teresa Flerx of the *WV Daily News*, Stacy Glick of the *Mountain Messenger* and Thomasina Stewart.

CALL TO ORDER: Mayor Manchester called the meeting to order at 7:30 p.m.

Oath of Office

Mayor John Manchester administered the oath of office for newly elected Council members, Vivian Conly, Mark Etten, Wade McClure, Tabatha Light; and City Recorder, Shannon Ninnemann. ✓

ADOPTION, READOPTION OR AMENDMENT OF RULES GOVERNING THE OFFICIAL CONDUCT OF COUNCIL AND RULES GOVERNING THE

TRANSACTIONS OF COUNCIL BUSINESS: Mayor Manchester proceeded to discuss the following items relating to the conduct of Council business:

1. Robert's Rules of Order will be followed.
2. He affirmed this Council's commitment to open meetings following the West Virginia Open Governmental Proceedings Act. ✓
3. He assured Council that they will receive sufficient information in a timely manner.
4. Mayor Manchester stated that his role at Council meetings would be to administer the meetings, and he does not plan to vote on issues unless a tie must be broken. Recorder Ninnemann stated that she does not plan to vote on issues to maintain an odd number of votes, but would vote if necessary to break a tie if she were called upon to do so.
5. Council agreed to continue to offer an invocation, but would strive to be open and inclusive of all faiths. Recorder Ninnemann will lead the invocation unless a special guest has been invited to do so.
6. Council agreed to continue to recite the Pledge of Allegiance. Councilmember White will lead.

7. Committee Chairs will give committee reports at the Council meetings unless a written report has been disseminated.
8. Visitors may sign up before the Council meeting begins to speak at the Council meeting, but limited to ten minutes if not on the agenda. Speakers may defer their comments until the item is discussed on the regular agenda.
9. Council agreed to hold Finance Committee meetings at 7:00 p.m. on the Tuesday preceding the Council meeting in the Paul R. Cooley Council Chamber. Council agreed to hold the Public Works Committee meetings at 4:30 p.m. on the Tuesday preceding the Council meeting in the Paul R. Cooley Council Chamber. A time and date for Public Safety Committee and the Green Space meeting will be announced as needed. Notices of regularly scheduled meetings will be posted on the front of City Hall, and the front of the Court House.
10. The meeting focus will include full discussion of issues in a courteous, professional, and business-like manner with the encouragement of active discussion.
11. The administration and Council may invite the City Attorney to attend a Council meeting by using his or her best judgment in the use of public funds to pay for the attorney's presence.
12. City Recorder Ninnemann will prepare a guide outlining the procedures for agenda submittals. Mayor Manchester stated that Recorder Ninnemann will continue to add topics to the council agenda as requested by the public.
13. Councilmembers wish to continue to receive as much information as possible through e-mail. Pertinent items necessary to prepare for Council meetings will be mailed in weekly council packets, as does Mayor Manchester.
14. Councilmembers declined the invitation to receive business cards.
15. Council will continue to be paid quarterly. The mayor will continue to be paid bi-weekly.

APPOINTMENT OF CITY OFFICERS: Mayor Manchester offered the nominations for the following list of appointments for City Officers:

Chief of Police
Municipal Court Judge
Asst. Municipal Court Judge
Municipal Court Clerk
Fire Chief
City Attorney
Treasurer

Tim Stover
Wayne Pennington
Ken Gazaway
Janet Johnson
Wayne Pennington
Jesse O. Guills, Jr.
Susan Honaker

Administrative Zoning Officer Ken Tubbs
Council Rep. to the Planning Commission Mark Etten
Administrative Rep. to the Planning Commission John Manchester

APPOINTMENT TO COUNCIL COMMITTEES: Mayor Manchester made the following Council Committee appointments:

Finance:	Public Safety:	Public Works:
Chair- McClure	Chair-Councilmember Conly	Chair-Council member McClure
All Council members	Councilmember Etten	Councilmember Light
Treasurer Honaker	Mark Carver, Staff Liaison	Councilmember Etten
Mayor Manchester	Mayor Manchester	Mayor Manchester
	Wayne Pennington	
	Tim Stover	
	Ken Tubbs	

Green Space:
Chair-Vivian Conly
Council member Beverly White
Citizen volunteer Tag Galyean
Citizen volunteer Gina Lang
Citizen volunteer John Bell
Citizen volunteer Kathryn Juker
Mayor John Manchester

Storm Water:
Recorder Ninnemann will research the origins of the Storm water committee to verify if it is a council or planning commission committee.

Councilmember White moved to accept the Committee appointments presented by Mayor Manchester. Councilmember Fouch seconded the motion, and the motion passed unanimously.

ADJOURNMENT: With no additional business to come before Council, Councilmember Etten moved to adjourn the meeting. The motion was seconded by Councilmember Light, and duly carried. The meeting adjourned at 8:45 p.m.

Date: _____ Mayor: _____ Recorder: _____

ORDINANCE NUMBER 0-138

Mayor Hunter introduced the following ordinance, Councilmember Gauch moved its adoption, which motion was seconded by Councilmember Carver.

The ordinance being in the following words and figures:

-AN ORDINANCE SETTING FORTH WATER RATES, CONNECTION CHARGES, RE-CONNECTION CHARGES, DELAYED PAYMENT PENALTY AND OTHER CHARGES FOR SERVICE TO CUSTOMERS OF THE WATERWORKS SYSTEM OF THE CITY OF LEWISBURG.

BE IT ENACTED AND ORDAINED THAT SECTION 19.2 OF THE CODE OF THE CITY OF LEWISBURG BE REPEALED, AMENDED AND RE-ENACTED AS FOLLOWS:

SECTION 19.2 SCHEDULE OF RATES, CHARGES AND PENALTIES.

A. General:

The following rules, rates and charges are hereby domestic, commercial, and industrial users and customers of the CITY OF LEWISBURG WATERWORKS SYSTEM, commencing upon the effective date as hereinafter provided.

B. Applicability:

Applicable in entire area served.

C. Availability of Service:

Available for general domestic, commercial and industrial service.

D. Customer Charge:

No bill will be rendered for less than the following amounts, according to size of the meter installed, to-wit:

5/8 inch meter.....	\$4.14	3 inch meter.....	\$62.08
1 inch meter.....	\$10.35	4 inch meter.....	\$103.47
1 1/2 inch meter.....	\$20.69	6 inch meter.....	\$206.95
2 inch meter.....	\$33.11	8 inch meter.....	\$331.12

E. Usage Charge:

In addition to the above minimum customer charge, a usage charge based upon metered (estimated) usage will be charged in accordance with the following schedule.

First 20,000 Gallons Used Per Month	\$6.29 Per 1,000 Gallons
Next 60,000 Gallons Used Per Month	\$4.41 Per 1,000 Gallons
All Over 80,000 Gallons	\$3.05 Per 1,000 Gallons

F. Leak Rate:

In accordance with West Virginia Public Service Commission Rules and Regulations, the following leak rate shall be used.

Leaks adjusted in accordance with Leak Policy	\$0.75 Per 1000 Gallons
---	-------------------------

G. Delayed Payment Penalty:

The above tariff is net, on all accounts not paid in full within twenty (20) days of the date of bill, ten percent (10%) will be added to net amount shown. This delayed payment penalty is not interest and is to be collected only once for each bill when appropriate.

H. Disconnection of Water Service for non-payment of Bill:

If any bill is determined to be delinquent in accordance with West Virginia Public Service Commission Policy, water service to the customer may be disconnected. Water service is to be disconnected in accordance with West Virginia Public Service Commission Policy. Water service will not be restored until all delinquent amounts and service fees have been paid in full in accordance with the applicable rules and regulations of the West Virginia Public Service Commission.

Whenever water service has been disconnected, an administrative fee of \$15.00 shall be charged; or in the event the delinquent water bill is collected by the City of Lewisburg in the field, an administrative fee of \$15.00 shall be charged. A \$15.00 administrative fee will be assessed for each occurrence where water service to a customer is restored after water service has been terminated for nonpayment of water bills.

I. Connection Charge:

There shall be a charge for each new connection to the system in accordance to the following schedule. with-

5/8"	\$350.00
1"	\$400.00
1 1/2"	\$500.00
2"	\$1000.00

New connections in excess of 2" and connections for fire service will be based upon the actual costs of making such connection. The rate for 5/8 inch customer service shall become effective on July 1, 2002. All other rates shall be in effect in accordance with the effective date of this ordinance.

J. Security Deposits:

A refundable security deposit shall be charged to all customers in accordance with West Virginia Public Service Commission Rules and Regulations.

K. Customer Convenience or Seasonal Turn On or Off:

There may be a five dollar (\$5.00) charge for each visit to the customer's premises for such turn on or off.

L. Testing or Replacement of Meter at Customer's Request:

Upon request of any customer of the system, the City will test or replace the customer's water meter as soon as is reasonably possible, and if the meter is found to be defective, the customer's account will be adjusted accordingly. If the meter is found to be accurate within the prescribed guidelines of the West Virginia Public Service Commission, then the customer's account will receive no adjustment and will be billed a charge of \$25.00 for this service.

M. Fire Protection (Private):

For each hydrant, sprinkler and/or hose connection located on private property exclusive of those customers with whom the City has an existing special contract for water service.

2 Inch Line	\$3.56 Per Month
3 Inch Line	\$4.30 Per Month
4 Inch Line	\$5.72 Per Month
6 Inch Line	\$12.77 Per Month
8 Inch Line	\$22.70 Per Month

N. Return Check Charge:

When a check is returned to the city for any reason, the city will charge a \$25 administrative fee. The city reserves the right to require cash payment.

REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof shall be held void or unenforceable by the West Virginia Public Service Commission or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby appealed, and to the extent that the provisions of this Ordinance do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

EFFECTIVE DATE

The rates, charges and penalties provided herein (except as otherwise noted) shall become effective forty-five (45) days after final enactment hereof, or as soon thereafter as the same may be approved by the Public Service Commission of West Virginia.

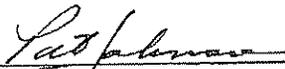
STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the City Recorder shall cause appropriate notice to the public regarding this ordinance in accordance with Rules and Regulations of the West Virginia Public Service Commission and the West Virginia Code. Copies of this Ordinance shall be available to the public for inspection at the office of the City Recorder, Lewisburg, West Virginia.

I, undersigned Recorder of the City of Lewisburg, State of West Virginia, do hereby certify that the foregoing Ordinance was duly passed and adopted by the City Council of the City of Lewisburg, and that the proposed Ordinance was read by title at not less than two (2) meetings of the City Council with at least one (1) week intervening between each meeting, publication requirements have been met, and that the Ordinance is in full force and effect upon the effective date.

Passed 1st Reading: January 15, 2002
Passed 2nd Reading: February 19, 2002

CITY OF LEWISBURG, a municipal corporation



Pat Johnson, CMC
Recorder

CITY OF LEWISBURG, a municipal corporation
OF
LEWISBURG, WEST VIRGINIA
RATES, RULES AND REGULATIONS FOR FURNISHING
WATER

at Lewisburg, Greenbrier County, West Virginia and vicinity, including the community of Fairlea

Filed with THE PUBLIC SERVICE COMMISSION
of
WEST VIRGINIA

Issued April 15, 2003

Effective for service rendered on and after March 5, 2002

Adopted by City Council

Issued by CITY OF LEWISBURG, a municipal corporation

By _____

Title

RULES AND REGULATIONS

- I. Rules and Regulations for the Government of Water Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.
-

(N) APPLICABILITY

Applicable in entire area served

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service

CUSTOMER CHARGE

No bill will be rendered for less than the following amounts, according to size of the meter installed, to-wit:

	5/8 inch meter	\$ 4.14
(O)	1 inch meter	\$ 10.35
(O)	1 - 1/2 inch meter	\$ 20.69
	2 inch meter	\$ 33.11
	3 inch meter	\$ 62.08
	4 inch meter	\$103.47
	6 inch meter	\$206.95
	8 inch meter	\$331.12

(C,I) USAGE CHARGE:

In addition to the above minimum customer charge, a usage charge based upon metered (estimated) usage will be charged in accordance with the following schedule.

First	20,000 Gallons Used Per Month	\$6.29 Per 1,000 Gallons
Next	60,000 Gallons Used Per Month	\$4.41 Per 1,000 Gallons
All Over	80,000 Gallons	\$3.05 Per 1,000 Gallons

- (N) Indicates new
- (O) Indicates omission
- (C) Indicates change in text
- (I) Indicates increase

(N) LEAK RATE

In accordance with West Virginia Public Service Commission Rules and Regulations, the following leak rate shall be used.

Leaks adjusted in accordance with Leak Policy \$0.75 Per 1000 Gallons

(C) DELAYED PAYMENT PENALTY

The above tariff is net, on all accounts not paid in full within twenty (20) days of the date of bill, ten percent (10%) will be added to net amount shown. This delayed payment penalty is not interest and is to be collected only once for each bill when appropriate.

(C) DISCONNECTION OF WATER SERVICE FOR NON-PAYMENT OF BILL

If any bill is determined to be delinquent in accordance with West Virginia Public Service Commission Policy, water service to the customer may be disconnected. Water service is to be disconnected in accordance with West Virginia Public Service Commission Policy. Water service will not be restored until all delinquent amounts and service fees have been paid in full in accordance with the applicable rules and regulations of the West Virginia Public Service Commission.

Whenever water service has been disconnected, an administrative fee of \$15.00 shall be charged; or in the event the delinquent water bill is collected by the City of Lewisburg in the field, an administrative fee of \$15.00 shall be charged. A \$15.00 administrative fee will be assessed for each occurrence where water service to a customer is restored after water service has been terminated for nonpayment of water bills.

- (N) Indicates new
- (C) Indicates change in text

(C,I) CONNECTION CHARGE

There shall be a charge for each new connection to the system in accordance to the following schedule.

5/8"	\$ 350.00
1"	\$ 400.00
1 - 1/2"	\$ 500.00
2"	\$1,000.00

New connections in excess of 2" and connections for fire service will be based upon the actual costs of making such connection. The rate for 5/8 inch customer service shall become effective on July 1, 2002. All other rates shall be in effect March 5, 2002.

(N) SECURITY DEPOSITS

A refundable security deposit shall be charged to all customers in accordance with West Virginia Public Service Commission Rules and Regulations.

(C,D) CUSTOMER CONVENIENCE OR SEASONAL TURN ON OR OFF

There may be a five dollar (\$5.00) charge for each visit to the customer's premises for such turn on or off.

(N) TESTING OR REPLACEMENT OF METER AT CUSTOMERS REQUEST

Upon request of any customer of the system, the City will test or replace the customer's water meter as soon as is reasonably possible, and if the meter is found to be defective, the customer's account will be adjusted accordingly. If the meter is found to be accurate within the prescribed guidelines of the West Virginia Public Service Commission, then the customer's account will receive no adjustment and will be billed a charge of \$25.00 for this service.

- (C) Indicates change in text
- (I) Indicates increase
- (N) Indicates new
- (D) Indicates decrease

(I) FIRE PROTECTION (Private):

For each hydrant, sprinkler and/or hose connection located on private property exclusive of those customers with whom the City has an existing special contract for water service.

2 Inch Line	\$ 3.56 Per Month
3 Inch Line	\$ 4.30 Per Month
4 Inch Line	\$ 5.72 Per Month
6 Inch Line	\$12.77 Per Month
8 Inch Line	\$22.70 Per Month

(N) RETURN CHECK CHARGE

When a check is returned to the city for any reason, the city will charge a \$25 administrative fee. The city reserves the right to require cash payment.

(I) Indicates increase

(N) Indicates new

Minutes of City Council
February 19, 2002

WORKING SESSION

The Council of the City of Lewisburg met in a Working Session on Tuesday, February 19, 2002, at 7:00 p.m. in the upper courtroom of the Greenbrier County Courthouse.

PRESENT: Mayor Hunter, Recorder-Treasurer Johnson, Councilmembers Carver, Fouch and Manchester.

Mayor Hunter reviewed with Council current agenda items. No public comment was heard and no decisions were made in the Working Session.

REGULAR SESSION

The Council of the City of Lewisburg met in Regular Session on Tuesday, February 19, 2002, at 7:30 p.m. in the upper courtroom of the Greenbrier County Courthouse.

PRESENT: Mayor Hunter, Recorder-Treasurer Johnson, Councilmembers Carver, Fouch and Manchester, Chief of Police Stover, Fire Chief Pennington, Water Department Manager Carroll, and City Attorney Guills.

VISITORS: Reporters Alvey and Myers, Ed Shutt, Rod Lowe, Ed Zimmerman, Ken Tubbs, Rev. William Garner, Melanie Garner, Lynn Tuckwiller, John Tuckwiller, Dan Gooding, Pat Baker, and Lynn Brody.

CALL TO ORDER: Mayor Hunter called the meeting to order at 7:30 p.m. Rev. Garner offered the invocation, and Recorder-Treasurer Johnson led the Pledge of Allegiance.

VISITORS' REPORTS: None.

APPROVAL OF MINUTES:

Councilmember Manchester moved to approve the minutes of the January 14, 2002, Board of Canvass. Councilmember Carver seconded the motion, which duly carried.

Councilmember Fouch moved to approve the minutes of the January 15, 2002, Regular Session. Councilmember Carver seconded the motion, which duly carried.

APPROVAL OF FINANCIAL STATEMENTS:

Council reviewed and discussed the January 2002 financial statements at their February 14, 2002 Finance Committee meeting. Mayor Hunter summarized important points of those financials. Council chose to approve those documents upon a more thorough review and the completion of the budget revisions.

COMMUNICATIONS FROM THE WATER DEPARTMENT:

Council voted in favor of taking this agenda item out of order so that those in attendance regarding this issue could hear it first.

Proposed Water Rate Increase

Water Department Manager Carroll presented a visual program summarizing Lewisburg's regional water system and rationale supporting the proposed water rate increase. While much money was borrowed during the construction of the water plant in the early 1980s, interest payments have been made over the years, retiring very little in proportion to the principle. The current method of paying for maintenance and upgrades with incoming monies makes borrowing money unnecessary and more cost effective for the customers of the water system.

Ed Shutt, engineer for Stafford Consultants, summarized his involvement with the City of Lewisburg's water system since 1994, and affirmed the excellent quality of construction work of city crews, who can construct a project at less expense than the regulations involved in hiring a contractor.

Rod Lowe, from the office of Ralph Bassett, CPA, reported that compared to other government's, Lewisburg is in good financial position and are fiscally responsible to pay for growth and maintenance with in-house dollars.

Second Reading of Ordinance to Increase Water Rates

Recorder Johnson read the following Ordinance by title a second time:

“AN ORDINANCE SETTING FORTH WATER RATES, CONNECTION CHARGES, RE-CONNECTION CHARGES, DELAYED PAYMENT PENALTY AND OTHER CHARGES FOR SERVICE TO CUSTOMERS OF THE WATERWORKS SYSTEM OF THE CITY OF LEWISBURG.”

Councilmember Fouch moved to approve the foregoing Ordinance upon second reading. Councilmember Carver seconded the motion. This meeting is a public hearing upon second reading of the foregoing Ordinance, and Mayor Hunter asked the visitors for comments.

Rev. William Garner asked why expenses increased in 1998 and 1999. Water Department Carroll answered by saying the increase was mainly because of main line extensions installed at that time. Councilmember Fouch, former mayor, added that the intake system at the Greenbrier River was updated and the pre-sediment basin was added, both large expenses. Mayor Hunter noted that both of those items might have been accomplished prior to that time period.

Water Department Manager Carroll explained that the rate increase would allow the city to receive approximately \$210,000 in additional revenues annually. With the City's current income level added to the increase in income, the city would have approximately \$350,000 annually to fund growth and maintenance expenses. Improvements to the water system are ongoing. Mayor Hunter added that because of the high-income level of the area, the City does not qualify for most grants.

Water Department Manager Carroll explained that the city is hit with unfunded federal mandates with increased testing requirements and maintenance to the system. He also informed the public that there is a 30-day period after the adoption of this Ordinance for rate increase for 25% of the customers to petition the West Virginia Public Service Commission.

Councilmember Fouch commented that he questioned the validity of the proposed rate increase when the subject was first discussed. But with the experts that have justified the need for a rate increase, he is convinced that the increase is a wise thing to do instead of borrowing money. Council concurred.

Councilmember Manchester called for the question. Mayor Hunter declared the public hearing closed. All, including the Mayor, voted in favor of approving the foregoing Ordinance upon second reading. The foregoing Ordinance, having been passed upon first reading at the January 2002 Council meeting will be in full force and effect 45 days from tonight's passage unless the WV Public Service Commission receives sufficient signatures in opposition to the rate increase to require a hearing.

COMMUNICATIONS FROM THE MAYOR:

Black History Month

Mayor Hunter proclaimed the month of February 2002 as Black History Month in Lewisburg. She read aloud the Proclamation, as well as accomplishments of black individuals in history.

Dorie Miller Park Essay Contest

The City sponsored an essay contest for students grades 4 through 12 to write about Dorie Miller, the WWII Pearl Harbor hero. The essay requires entrants to describe who he was and why the City of Lewisburg has a park named after him. Councilmember Fouch suggested involving people from the black community with this project.

City Hall Renovation Update

Building Inspector Ken Tubbs summarized the overall progress of the renovation project, stating that the interior drywall is being finished and the HVAC system is on the roof. The tenant spaces are almost complete. He added that the public would not see most improvements since they are structural updates and maintenance. The current scheduled completion date for this project is the end of June 2002.

Appointment to the Lewisburg Planning Commission

Mayor Hunter offered the nomination of Alan Nasson to fill the vacancy on the Lewisburg Planning Commission, term to expire June 30, 2004. She stated that he has lived in Lewisburg for 3 ½ years. Upon a vote taken, all, including the mayor, voted in favor of Mr. Nasson. The Planning Commission is now a full board without vacancies.

Confirmation of Storm Water Committee Members

The Storm Water Committee is a subcommittee of the Lewisburg Planning Commission. Mayor Hunter officially presented the names of P. K. Legg and John Schrieffer for confirmation as members of this committee. All voted in favor of the confirmation of the appointments.

Appointment to the Storm Water Committee

Mayor Hunter offered the name of Criss Haynes, who was previously an ex officio member of the committee, for official nomination to the committee. All voted in favor of this appointment.

Appointment of Council Representative to the Storm Water Committee

No Councilmember volunteered at this time to serve as Council representative to the Storm Water Committee.

Resolution for Small Cities Community Development Block Grant Funds

Recorder Johnson read the following Resolution by title. Councilmember Fouch moved the adoption of the following Resolution:

“RESOLUTION BY THE CITY OF LEWISBURG, COUNTY OF GREENBRIER, WEST VIRGINIA, ADOPTING A CITIZEN PARTICIPATION PLAN FOR SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.”

Councilmember Manchester seconded the motion for adoption, and all voted in favor of the motion.

Jefferson Awards

A WV television station is promoting the Jefferson Awards as a means of locating unsung heroes of this and other towns who have made a meaningful contribution to the

lives of the citizens of their respective community. The deadline for nominations is February 26, 2002.

Bids for Surplus Vehicles

Mayor Hunter announced the apparent high bidders for the following surplus vehicles:

1987 Chevy Blazer	\$ 520
1981 International truck	\$2,510*
1991 Chevy pick-up truck	\$ 610

*Mayor Hunter announced that there would be a small reduction, in the price of this truck, about \$200, because of a minor dent that was placed on the vehicle's cab when removing the bed.

Councilmember Manchester moved to accept the foregoing high bids, noting the small reduction for the International truck. Councilmember Fouch seconded the motion, and all voted in favor of the motion.

Personnel Policy

Mayor Hunter announced that she hopes the proposed personnel policy will be ready for adoption in conjunction with the new fiscal year beginning July 1, 2002. Council will meet in Special Session on February 26, 2002, to discuss additional changes to the proposed policy.

COMMUNICATIONS FROM BOARDS AND COMMISSIONS:

Planning Commission:

Planning Commission Actions

Mayor Hunter summarized the Planning Commission actions of the February 7, 2002 meeting.

First Reading of Ordinance Regarding the Board of Zoning Appeals Voting Structure

Recorder Johnson read the following Ordinance by title a first time:

“AN ORDINANCE TO DELETE SECTION 131 (B) OF THE ZONING ORDINANCE OF THE CITY OF LEWISBURG, WEST VIRGINIA AND TO REENACT IT TO PROVIDE FOR THE QUORUM AND VOTING STRUCTURE TO BE A SIMPLE MAJORITY.”

Councilmember Manchester moved for the adoption of the foregoing Ordinance upon first reading. The motion was seconded by Councilmember Carver, and duly carried. The foregoing Ordinance will be read a second time at the March 2002 Council meeting at which time it will be finally voted upon.

RFP Selection for the Comprehensive Plan

The first choice for the firm to develop an updated Comprehensive Plan was Whitney-Bailey, who now cannot fulfill that obligation. The Lewisburg Planning reviewed the next three choices for this job and chose to begin price negotiations with PKG Consultants.

Councilmember Manchester moved to approve the Planning Commission's selection of PKG Consultants. Councilmember Fouch seconded the motion, which duly carried.

COMMUNICATIONS FROM THE POLICE DEPARTMENT:

Governor's Seatbelt Challenge

Chief of Police Stover announced that his department is once again participating in the Governor's Seatbelt Challenge. Mayor Hunter signed a proclamation establishing the months of February, May, July and August 2002 as "Click It or Ticket" months in connection with this program. Officers will conduct extra patrols to help enforce the seatbelt law for safety.

WV State Police Appreciation

The WV State Police wrote a letter of appreciation to Police Chief Stover and his officers for their professionalism and involvement during the recent visit by President Bush and Vice President Cheney. Chief Stover shared his experiences in meeting these two officials.

COMMUNICATIONS FROM THE FIRE DEPARTMENT:

Thermal Imaging Equipment

Fire Chief Pennington reported that the Lewisburg Volunteer Fire Company purchased the county's first Thermal Imaging Equipment for a cost of \$11,350 from a donation received. This device uses heat detection sensors to detect victims or fire hot spots which not only saves lives, but also reduces property damage.

Pennington explained that this purchase is part of a planned 15-year equipment program and will be used in mutual aid calls.

Equipment

Fire Chief Pennington explained to Council that he has been operating on a 15-year equipment replacement program. The 1996 lease/purchase of a truck is now paid in full. The Fire Department is proceeding with determining specifications for a new truck to replace a 1969 model. For several years, the fire department budget has carried over capital improvement monies for this purpose. He stated that auto extrication equipment is equipment that would be purchased which would be a new service to the citizens, especially with I-64 running through the city, and would assist in lowering the ISO fire rating, currently at Class 5.

COMMUNICATIONS FROM COMMITTEES:

Finance Committee:

A meeting was held February 14, 2002. January 2002 financial statements were reviewed and a General Fund budget revision was discussed in detail.

Resolution for Fiscal Year 2001-2002 General Fund Budget Revision

Councilmember Manchester moved for the adoption of a Resolution to be sent to the WV State Auditor's Office for the revision of the 2001-2002 fiscal year General Fund budget. Councilmember Fouch seconded the motion, which duly carried.

Hotel Occupancy Tax

Councilmember Fouch explained that he received information from the West Virginia Municipal League requesting officials to send a form letter to legislators supporting the proposed Hotel Occupancy Tax increase. He stated that he discussed this matter with the primary hotel and motel proprietors in the area, and they are not in favor of the proposed increase. He mentioned that West Virginia's tax is lower than adjacent states and that this proposed increase is meant to boost economic development. Councilmember Fouch stated that the City does not implement economic development and that West Virginia and Lewisburg already have a good tourist economic base.

Councilmember Manchester is concerned that Mayor Hunter wrote letters on City letterhead supporting this proposed tax increase without the consultation of Council, causing the perception that the City of Lewisburg supports the bill. He does not support the proposed increase. Councilmember Manchester stated that in the context of Council's fiduciary responsibility, he believes the case has not been made as to the necessity of this tax increase.

Councilmember Carver is undecided on the issue.

Mayor Hunter explained that she is a member of the WV Municipal League's legislative committee and a member of the Greenbrier County Convention and Visitor's Bd. She informed Council that if this proposed tax cap increase passes, each city must then decide what increase, if any, that particular city would impose. She defended her letter stating that the letter was written from her personal viewpoint, not that of City Council, and read the letter aloud.

Councilmember Manchester moved to instruct the administration to draft and submit a letter to those she contacted in support of the proposed tax increase, clarifying that she acted on behalf of herself, not the City of Lewisburg in supporting the Hotel Occupancy Tax increase. Councilmember Fouch seconded the motion. Upon a vote taken, all voted in favor of the motion with the exception of Mayor Hunter, who voted no. She stated that

she would seek legal advice as to whether she has to write the letter. She noted that the motion stated 'the administration,' and she believes that Council could write the letter.

Public Works Committee:

A meeting was held February 14, 2002. The Committee agreed to approach the power company to request a revised lighting plan for the city limits of Lewisburg.

Public Safety Committee:

The Public Safety Committee will meet February 26 at 7:00 p.m.

Parks Committee:

None.

ADJOURNMENT:

Having no additional business to be heard before Council, Councilmember Fouch moved to adjourn the meeting. The motion was seconded by Councilmember Carver, and duly carried. The meeting adjourned at 9:58 p.m.

Date: _____ Mayor: _____ Recorder-Treasurer: _____

The West Virginia Daily News
PO Box 471
Lewisburg, WV 24901
PHONE: (304) 645-1206

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA
COUNTY OF GREENBRIER,
TO WIT:

I, Louise Bassett,
one of the editors of The West Virginia
Daily News, a daily newspaper of general
circulation published at Lewisburg, West
Virginia, in the County of Greenbrier,
State of West Virginia, do certify that
publication of the advertisement or
advertisements attached hereto was made
in two (2) issues of said
newspaper, dated

1 April 2009

8 April 2009

Given under my hand this 15th day
of May, 2009

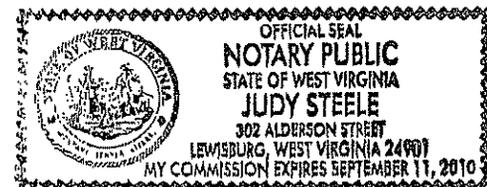
Louise Bassett

Editor or Publisher

Subscribed and sworn to before me this 15th day of May, 2009.

My commission expires Sept 11, 2010
Judy Steele, Notary Public

Publication Fee: \$ 93.36



WV Daily News
Phone (304) 645-1706

**NOTICE OF PUBLIC HEARING ON
THE CITY OF LEWISBURG BOND
ORDINANCE**

A public hearing will be held on the following entitled Ordinance at a special meeting of the Council of the City of Lewisburg (the "City") to be held on Tuesday, April 14, 2009, at 7:00 p.m. at the City Hall, 119 West Washington Street, Lewisburg, West Virginia, and at such hearing any person interested may appear before the City and present protests, and all protests and suggestions shall be heard by the City and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

**CITY OF LEWISBURG
ORDINANCE AUTHORIZING THE
ACQUISITION AND CONSTRUCTION
OF ADDITIONS, BETTERMENTS
AND IMPROVEMENTS TO
THE WATERWORKS SYSTEM OF
THE CITY OF LEWISBURG AND
THE FINANCING OF THE COST
THEREOF, NOT OTHERWISE
PROVIDED, THROUGH THE
ISSUANCE BY THE CITY OF NOT
MORE THAN \$1,500,000 IN
AGGREGATE PRINCIPAL AMOUNT
OF WATER REVENUE BONDS,
SERIES 2009 A; PROVIDING FOR
THE RIGHTS AND REMEDIES OF
AND SECURITY FOR THE
REGISTERED OWNERS OF SUCH
BONDS; AUTHORIZING EXECUTION
AND DELIVERY OF ALL
DOCUMENTS RELATING TO THE
ISSUANCE OF SUCH BONDS; AND
AUTHORIZING THE SALE AND
PROVIDING FOR THE TERMS AND
PROVISIONS OF SUCH BONDS AND
ADOPTING OTHER PROVISIONS
RELATING THERETO.**

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contem-

plated thereby. The City contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing waterworks system of the Issuer (the "Project"); (ii) to fund the Series 2009 A Bonds Reserve Account; and (iii) to pay certain costs of issuance of the Bonds of this Series and related costs. The Bonds are payable only from the Gross Revenues to be derived from the operation of the System. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

The above-entitled Ordinance was adopted by the Council of the City of Lewisburg on March 24, 2009. A certified copy of the above entitled Ordinance is on file with the City for review by interested parties during regular office hours.

Following the public hearing, the City intends to enact the Ordinance upon final reading.

/s/ John Manchester
Mayor

(1,8ap)



WV DAILY NEWS AND VALLEY RANGER
 200 South Court Street
 P.O. Box 471
 Lewisburg, WV 24901-0471
 United States

INVOICE

Invoice Number: 17056
 Invoice Date: Apr 1, 2009
 Page: 1
 Duplicate

Voice: 304-645-1206
 Fax: 304-645-7104

Bill to:
 STEPTOE & JOHNSON
 PO BOX 1588
 CHARLESTON, WV 25326-1588

Ship to:

Customer ID	Payment Terms	Ship Date	Bill Date
1482	Net 30th of Next Month		
Sales Rep ID	Billing Method	Ship Date	Bill Date
	Airborne		5/30/09

Quantity	Item	Description	Unit Price	Amount
11.00	DNL	DAILY NEWS LEGAL--HEARING BOND ORDINANCE--APRIL 1 2008	3.64	40.01
Subtotal				40.01
Sales Tax				
Total Invoice Amount				40.01
Payment/Credit Applied				

Check/Credit Memo No:

Overdue invoices are subject to late charges.

WV DAILY NEWS AND VALLEY RANGER

200 South Oak Street
 P.O. Box 471
 Lewisburg, WV 24901-0471
 United States

Voice: 304-645-1206
 Fax: 304-645-7104

INVOICE

Invoice Number: 16652
 Invoice Date: Apr 8, 2009
 Page: 1

Duplicate

Bill To:
CITY OF LEWISBURG-LEGAL PO BOX 548 LEWISBURG, WV 24901

Bill To:

Customer ID	Customer PO	Payment Terms	
601		Net 30th of Next Month	
Sales Rep ID	Billing Method	Start Date	End Date
	Airborne		5/30/09

Quantity	Item	UNIT PRICE	UNIT PRICE	Amount
11.00	DNL	DAILY NEWS LEGAL-HEARING BOND ORDINANCE-APRIL 8 2009	4.85	53.35
Subtotal				53.35
Sales Tax				
Total Invoice Amount				53.35
Payment/Credit Applied				53.35
				0.00

Check/Credit Memo No: 029456

The West Virginia Daily News
The Greenbrier Valley Ranger
P.O. Box 471 --- 200 South Court Street
Lewisburg, West Virginia 24901 - 0471
Ph. (304) 645-1206 FAX (304) 645-7104
FAX TRANSMITTAL SHEET

DATE: May 15, 2009

TO: Steptoe & Johnson

FROM: Louise

ATTN: Brandy

FAX #: 304-353-8181

NO. OF PAGES (INCL. COVER): 5

If all pages are not received, or portions of pages are received garbled, please call (304) 645-1206 for retransmission of affected pages.

REMARKS: Here's the affidavit & invoices. I apologize for any inconvenience. Have a "great" day!

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

EXCERPT OF MINUTES ON ADOPTION OF BOND ORDINANCE,
SUPPLEMENTAL RESOLUTION AND FIRST DRAW RESOLUTION

The undersigned Clerk of the City of Lewisburg (the "City") hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the Council of the City.

* * *

* * *

* * *

The Council of the City met in special session, pursuant to notice duly given, on the 14th day of April, 2009, in Lewisburg, West Virginia, at the hour of 7:00 p.m.

PRESENT:	John Manchester	-	Mayor
	Shannon Ninnemann	-	Clerk
	Beverly White	-	Councilperson
	Mark Etten	-	Councilperson
	Wade McClure	-	Councilperson
	Mark Bowe	-	Councilperson
	Vivian Conly	-	Councilperson

ABSENT: None.

John Manchester, Mayor, presided, and Shannon Ninnemann, acted as Clerk. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Mayor stated that the proposed Series 2009 A Bond Ordinance heretofore passed on first and second readings would be subject to protests and suggestions from any interested person at this time in accordance with the publication of an abstract of said Series 2009 A Bond Ordinance and a Notice of Hearing, which publication has been duly made, and the Mayor called for protests and suggestions as to said Series 2009 A Bond Ordinance and all persons desiring to protest the said Series 2009 A Bond Ordinance or to make any suggestions with reference thereto were heard.

There being no protests or suggestions made as to said Series 2009 A Bond Ordinance, the Mayor thereupon stated that it would be in order to consider the said Series 2009 A Bond Ordinance for final enactment and the Mayor caused the said Series 2009 A Bond Ordinance to be read as follows:

ORDINANCE AUTHORIZING THE ACQUISITION AND
CONSTRUCTION OF ADDITIONS, BETTERMENTS AND

IMPROVEMENTS TO THE WATERWORKS SYSTEM OF THE CITY OF LEWISBURG AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE CITY OF NOT MORE THAN \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2009 A; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; AND AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by Beverly White and seconded by Vivian Conly, it was unanimously ordered that the said Series 2009 A Bond Ordinance be adopted and be in full force and effect on and from the date hereof.

* * *

* * *

* * *

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

CITY OF LEWISBURG

Water Revenue Bonds, Series 2009 A

EXCERPT OF MINUTES ON ADOPTION OF
SUPPLEMENTAL RESOLUTION AND FIRST DRAW RESOLUTION

The undersigned Clerk of the City of Lewisburg (the "City") hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the Council of the City.

* * *

* * *

* * *

The Council of the City met in special session, pursuant to notice duly given, on the 12th day of May, 2009, in Lewisburg, West Virginia, at the hour of 7:00 p.m.

PRESENT:	John Manchester	-	Mayor
	Shannon Ninnemann	-	Clerk
	Beverly White	-	Councilperson
	Mark Etten	-	Councilperson
	Wade McClure	-	Councilperson
	Mark Bowe	-	Councilperson
	Vivian Conly	-	Councilperson

ABSENT: None.

John Manchester, Mayor, presided, and Shannon Ninnemann, acted as Clerk. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

The Mayor presented a proposed Series 2009 A Bonds Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2009 A OF THE CITY OF LEWISBURG; AND THE SALE AND DELIVERY OF SUCH BONDS TO THE BRANCH BANKING AND TRUST COMPANY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made by _____ and seconded by _____, it was unanimously ordered that the said Series 2009 A Bonds Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the Mayor presented a proposed Series 2009 A Bonds Draw Resolution for the approval of invoices. Thereupon, on motion duly made by _____ and seconded by _____, it was unanimously ordered that the said Series 2009 A Bonds Draw Resolution be adopted.

* * *

* * *

* * *

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

WV MUNICIPAL BOND COMMISSION

1207 Quarrier Street
Suite 401
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 22-May-09

ISSUE: <u>City of Lewisburg</u> <u>Water Revenue Bonds, Series 2009 A (Branch Banking and Trust Company)</u>	
ADDRESS: <u>Drawer 548, Lewisburg, WV 24901</u>	COUNTY: <u>Greenbrier</u>
PURPOSE OF ISSUE: New Money: <u> x </u> Refunding: <u> </u>	
ISSUE DATE: <u>22-May-09</u>	REFUNDS ISSUE(S) DATED: _____
ISSUE AMOUNT: <u>\$1,000,000</u>	CLOSING DATE: <u>22-May-09</u>
1ST DEBT SERVICE DUE: <u>1-Jul-09</u>	RATE: <u>4.51%</u>
1ST DEBT SERVICE AMOUNT <u>\$6,339.83</u>	1ST PRINCIPAL DUE <u>1-Jul-09</u>
	PAYING AGENT: <u>Municipal Bond Commission</u>
BOND COUNSEL:	
Firm: <u>Steptoe & Johnson PLLC</u>	UNDERWRITERS COUNSEL
Contact: <u>John Stump, Esquire</u>	Firm: _____
Phone: <u>(304) 353.8196</u>	Contact: _____
	Phone: _____
CLOSING BANK:	
Bank: _____	ESCROW TRUSTEE:
Contact: _____	Firm: _____
Phone: _____	Contact: _____
	Phone: _____
KNOWLEDGEABLE ISSUER CONTACT	
Contact: <u>John Manchester</u>	OTHER:
Position: <u>Mayor</u>	Agency: <u>Branch Banking and Trust Company</u>
Phone: <u>304.645.2080</u>	Contact: <u>Russell R. Akers, II</u>
	Position: <u>AVP</u>
	Phone: <u>304.353.1635</u>
DEPOSITS TO MBC AT CLOSE	
By: <u> </u> Wire	Accrued Interest: \$ _____
<u> X </u> Check	Capitalized Interest: \$ _____
	<u> x </u> Reserve Account: \$ <u>75,982</u>
	Other: \$ _____
REFUNDS & TRANSFERS BY MBC AT CLOSE	
By: <u> </u> Wire	To Escrow Trustee \$ _____
<u> </u> Check	To Issuer \$ _____
<u> </u> IGT	To Cons. Invest. Fund \$ _____
	To Other: _____ \$ _____
NOTES: <u>The Series 2009 A Bonds Reserve Account will be fully funded with bond proceeds</u>	
FOR MUNICIPAL BOND COMMISSION USE ONLY:	
DOCUMENTS REQUIRED: _____	
TRANSFERS REQUIRED: _____	

April 10, 2009

John C. Stump
 Bond Counsel
 Steptoe and Johnson, PLLC
 Chase Tower, eighth floor
 Charleston, WV 25326

Governmental Finance
 501 Tennessee Avenue
 Charleston, WV 25302
 (304) 353-1635
 Fax (304) 340-4702

Dear Mr. Stump:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by the City of Lewisburg, West Virginia ("City").

- (1) **Project:** Water Revenue Bond, Series 2009
- (2) **Amount To Be Financed:** up to \$1,000,000.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Rate</u>
20 years	4.51%

Payments shall be monthly in arrears, as requested. See the attached amortization schedule(s) for information on payments.

The financing proceeds shall be deposited on behalf of the City in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the City for use on Project costs or interest payments.

The interest rates stated above are valid for a closing not later than 30 days after today. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property being acceptable to BB&T. We shall review your most recent financial statements before funding this transaction.

Remuneration for our legal expenses, preparation of documentation and for providing the project fund services for this financing transaction shall be \$4,250.00. All applicable taxes, permits, costs of lawyers for the City and any other costs shall be the City's responsibility and separately payable by the City. The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

The stated interest rates assume that the City expects to borrow less than \$10,000,000 in calendar year 2009 and that the City shall comply with IRS Code Sections 141, 148 and 149. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing for the purpose of IRS Code Section 265(b)(3).

(4) Financing Documents:

It shall be the responsibility of the City to retain and compensate counsel to appropriately structure the revenue bonds according to West Virginia and Federal Statutes. BB&T shall also require the City's Bond Counsel to provide an unqualified legal opinion. BB&T reserves the right to review the bond and it must be mutually accepted by BB&T and the City.

(5) Security:

The financing shall be secured by the net revenues of the City's water system on parity with existing water revenue bonds. The City shall be subject to a rate covenant which would provide debt service coverage of 115% on the Series 2009 and all prior water revenue bonds. The revenue bonds shall also have a fully funded debt service reserve fund equal to one year of debt service which shall be held at the West Virginia Municipal Bond Commission.

* * * * *

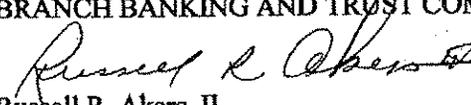
BB&T appreciates the opportunity to make this financing proposal and requests to be notified within five days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the City of its election to do so (whether or not this offer has previously been accepted by the City) if at any time prior to the closing there is a material adverse change in the City's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the City or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Please call me at (304) 353-1635 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY


Russell R. Akers, II
Vice President

Enclosure

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Compound Period : Monthly

Nominal Annual Rate : 4.510 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	04/10/2009	1,000,000.00	1		
2 Payment	05/10/2009	6,331.89	240	Monthly	04/10/2029

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	04/10/2009				1,000,000.00
1	05/10/2009	6,331.89	3,758.33	2,573.56	997,426.44
2	06/10/2009	6,331.89	3,748.66	2,583.23	994,843.21
2009 Totals		12,663.78	7,506.99	5,156.79	
3	07/10/2009	6,331.89	3,738.95	2,592.94	992,250.27
4	08/10/2009	6,331.89	3,729.21	2,602.68	989,647.59
5	09/10/2009	6,331.89	3,719.43	2,612.46	987,035.13
6	10/10/2009	6,331.89	3,709.61	2,622.28	984,412.85
7	11/10/2009	6,331.89	3,699.75	2,632.14	981,780.71
8	12/10/2009	6,331.89	3,689.86	2,642.03	979,138.68
9	01/10/2010	6,331.89	3,679.93	2,651.96	976,486.72
10	02/10/2010	6,331.89	3,669.96	2,661.93	973,824.79
11	03/10/2010	6,331.89	3,659.96	2,671.93	971,152.86
12	04/10/2010	6,331.89	3,649.92	2,681.97	968,470.89
13	05/10/2010	6,331.89	3,639.84	2,692.05	965,778.84
14	06/10/2010	6,331.89	3,629.72	2,702.17	963,076.67
2010 Totals		75,982.68	44,216.14	31,766.54	
15	07/10/2010	6,331.89	3,619.56	2,712.33	960,364.34
16	08/10/2010	6,331.89	3,609.37	2,722.52	957,641.82
17	09/10/2010	6,331.89	3,599.14	2,732.75	954,909.07
18	10/10/2010	6,331.89	3,588.87	2,743.02	952,166.05
19	11/10/2010	6,331.89	3,578.56	2,753.33	949,412.72
20	12/10/2010	6,331.89	3,568.21	2,763.68	946,649.04
21	01/10/2011	6,331.89	3,557.82	2,774.07	943,874.97
22	02/10/2011	6,331.89	3,547.40	2,784.49	941,090.48
23	03/10/2011	6,331.89	3,536.93	2,794.96	938,295.52
24	04/10/2011	6,331.89	3,526.43	2,805.46	935,490.06
25	05/10/2011	6,331.89	3,515.88	2,816.01	932,674.05
26	06/10/2011	6,331.89	3,505.30	2,826.59	929,847.46
2011 Totals		75,982.68	42,753.47	33,229.21	
27	07/10/2011	6,331.89	3,494.68	2,837.21	927,010.25
28	08/10/2011	6,331.89	3,484.01	2,847.88	924,162.37

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
29 09/10/2011	6,331.89	3,473.31	2,858.58	921,303.79
30 10/10/2011	6,331.89	3,462.57	2,869.32	918,434.47
31 11/10/2011	6,331.89	3,451.78	2,880.11	915,554.36
32 12/10/2011	6,331.89	3,440.96	2,890.93	912,663.43
33 01/10/2012	6,331.89	3,430.09	2,901.80	909,761.63
34 02/10/2012	6,331.89	3,419.19	2,912.70	906,848.93
35 03/10/2012	6,331.89	3,408.24	2,923.65	903,925.28
36 04/10/2012	6,331.89	3,397.25	2,934.64	900,990.64
37 05/10/2012	6,331.89	3,386.22	2,945.67	898,044.97
38 06/10/2012	6,331.89	3,375.15	2,956.74	895,088.23
2012 Totals	75,982.68	41,223.45	34,759.23	
39 07/10/2012	6,331.89	3,364.04	2,967.85	892,120.38
40 08/10/2012	6,331.89	3,352.89	2,979.00	889,141.38
41 09/10/2012	6,331.89	3,341.69	2,990.20	886,151.18
42 10/10/2012	6,331.89	3,330.45	3,001.44	883,149.74
43 11/10/2012	6,331.89	3,319.17	3,012.72	880,137.02
44 12/10/2012	6,331.89	3,307.85	3,024.04	877,112.98
45 01/10/2013	6,331.89	3,296.48	3,035.41	874,077.57
46 02/10/2013	6,331.89	3,285.07	3,046.82	871,030.75
47 03/10/2013	6,331.89	3,273.62	3,058.27	867,972.48
48 04/10/2013	6,331.89	3,262.13	3,069.76	864,902.72
49 05/10/2013	6,331.89	3,250.59	3,081.30	861,821.42
50 06/10/2013	6,331.89	3,239.01	3,092.88	858,728.54
2013 Totals	75,982.68	39,622.99	36,359.69	
51 07/10/2013	6,331.89	3,227.39	3,104.50	855,624.04
52 08/10/2013	6,331.89	3,215.72	3,116.17	852,507.87
53 09/10/2013	6,331.89	3,204.01	3,127.88	849,379.99
54 10/10/2013	6,331.89	3,192.25	3,139.64	846,240.35
55 11/10/2013	6,331.89	3,180.45	3,151.44	843,088.91
56 12/10/2013	6,331.89	3,168.61	3,163.28	839,925.63
57 01/10/2014	6,331.89	3,156.72	3,175.17	836,750.46
58 02/10/2014	6,331.89	3,144.79	3,187.10	833,563.36
59 03/10/2014	6,331.89	3,132.81	3,199.08	830,364.28
60 04/10/2014	6,331.89	3,120.79	3,211.10	827,153.18
61 05/10/2014	6,331.89	3,108.72	3,223.17	823,930.01
62 06/10/2014	6,331.89	3,096.60	3,235.29	820,694.72
2014 Totals	75,982.68	37,948.86	38,033.82	
63 07/10/2014	6,331.89	3,084.44	3,247.45	817,447.27
64 08/10/2014	6,331.89	3,072.24	3,259.65	814,187.62
65 09/10/2014	6,331.89	3,059.99	3,271.90	810,915.72
66 10/10/2014	6,331.89	3,047.69	3,284.20	807,631.52
67 11/10/2014	6,331.89	3,035.35	3,296.54	804,334.98
68 12/10/2014	6,331.89	3,022.96	3,308.93	801,026.05
69 01/10/2015	6,331.89	3,010.52	3,321.37	797,704.68
70 02/10/2015	6,331.89	2,998.04	3,333.85	794,370.83

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
71 03/10/2015	6,331.89	2,985.51	3,346.38	791,024.45
72 04/10/2015	6,331.89	2,972.93	3,358.96	787,665.49
73 05/10/2015	6,331.89	2,960.31	3,371.58	784,293.91
74 06/10/2015	6,331.89	2,947.64	3,384.25	780,909.66
2015 Totals	75,982.68	36,197.62	39,785.06	
75 07/10/2015	6,331.89	2,934.92	3,396.97	777,512.69
76 08/10/2015	6,331.89	2,922.15	3,409.74	774,102.95
77 09/10/2015	6,331.89	2,909.34	3,422.55	770,680.40
78 10/10/2015	6,331.89	2,896.47	3,435.42	767,244.98
79 11/10/2015	6,331.89	2,883.56	3,448.33	763,796.65
80 12/10/2015	6,331.89	2,870.60	3,461.29	760,335.36
81 01/10/2016	6,331.89	2,857.59	3,474.30	756,861.06
82 02/10/2016	6,331.89	2,844.54	3,487.35	753,373.71
83 03/10/2016	6,331.89	2,831.43	3,500.46	749,873.25
84 04/10/2016	6,331.89	2,818.27	3,513.62	746,359.63
85 05/10/2016	6,331.89	2,805.07	3,526.82	742,832.81
86 06/10/2016	6,331.89	2,791.81	3,540.08	739,292.73
2016 Totals	75,982.68	34,365.75	41,616.93	
87 07/10/2016	6,331.89	2,778.51	3,553.38	735,739.35
88 08/10/2016	6,331.89	2,765.15	3,566.74	732,172.61
89 09/10/2016	6,331.89	2,751.75	3,580.14	728,592.47
90 10/10/2016	6,331.89	2,738.29	3,593.60	724,998.87
91 11/10/2016	6,331.89	2,724.79	3,607.10	721,391.77
92 12/10/2016	6,331.89	2,711.23	3,620.66	717,771.11
93 01/10/2017	6,331.89	2,697.62	3,634.27	714,136.84
94 02/10/2017	6,331.89	2,683.96	3,647.93	710,488.91
95 03/10/2017	6,331.89	2,670.25	3,661.64	706,827.27
96 04/10/2017	6,331.89	2,656.49	3,675.40	703,151.87
97 05/10/2017	6,331.89	2,642.68	3,689.21	699,462.66
98 06/10/2017	6,331.89	2,628.81	3,703.08	695,759.58
2017 Totals	75,982.68	32,449.53	43,533.15	
99 07/10/2017	6,331.89	2,614.90	3,716.99	692,042.59
100 08/10/2017	6,331.89	2,600.93	3,730.96	688,311.63
101 09/10/2017	6,331.89	2,586.90	3,744.99	684,566.64
102 10/10/2017	6,331.89	2,572.83	3,759.06	680,807.58
103 11/10/2017	6,331.89	2,558.70	3,773.19	677,034.39
104 12/10/2017	6,331.89	2,544.52	3,787.37	673,247.02
105 01/10/2018	6,331.89	2,530.29	3,801.60	669,445.42
106 02/10/2018	6,331.89	2,516.00	3,815.89	665,629.53
107 03/10/2018	6,331.89	2,501.66	3,830.23	661,799.30
108 04/10/2018	6,331.89	2,487.26	3,844.63	657,954.67
109 05/10/2018	6,331.89	2,472.81	3,859.08	654,095.59
110 06/10/2018	6,331.89	2,458.31	3,873.58	650,222.01
2018 Totals	75,982.68	30,445.11	45,537.57	

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
111 07/10/2018	6,331.89	2,443.75	3,888.14	646,333.87
112 08/10/2018	6,331.89	2,429.14	3,902.75	642,431.12
113 09/10/2018	6,331.89	2,414.47	3,917.42	638,513.70
114 10/10/2018	6,331.89	2,399.75	3,932.14	634,581.56
115 11/10/2018	6,331.89	2,384.97	3,946.92	630,634.64
116 12/10/2018	6,331.89	2,370.14	3,961.75	626,672.89
117 01/10/2019	6,331.89	2,355.25	3,976.64	622,696.25
118 02/10/2019	6,331.89	2,340.30	3,991.59	618,704.66
119 03/10/2019	6,331.89	2,325.30	4,006.59	614,698.07
120 04/10/2019	6,331.89	2,310.24	4,021.65	610,676.42
121 05/10/2019	6,331.89	2,295.13	4,036.76	606,639.66
122 06/10/2019	6,331.89	2,279.95	4,051.94	602,587.72
2019 Totals	75,982.68	28,348.39	47,634.29	
123 07/10/2019	6,331.89	2,264.73	4,067.16	598,520.56
124 08/10/2019	6,331.89	2,249.44	4,082.45	594,438.11
125 09/10/2019	6,331.89	2,234.10	4,097.79	590,340.32
126 10/10/2019	6,331.89	2,218.70	4,113.19	586,227.13
127 11/10/2019	6,331.89	2,203.24	4,128.65	582,098.48
128 12/10/2019	6,331.89	2,187.72	4,144.17	577,954.31
129 01/10/2020	6,331.89	2,172.14	4,159.75	573,794.56
130 02/10/2020	6,331.89	2,156.51	4,175.38	569,619.18
131 03/10/2020	6,331.89	2,140.82	4,191.07	565,428.11
132 04/10/2020	6,331.89	2,125.07	4,206.82	561,221.29
133 05/10/2020	6,331.89	2,109.26	4,222.63	556,998.66
134 06/10/2020	6,331.89	2,093.39	4,238.50	552,760.16
2020 Totals	75,982.68	26,155.12	49,827.56	
135 07/10/2020	6,331.89	2,077.46	4,254.43	548,505.73
136 08/10/2020	6,331.89	2,061.47	4,270.42	544,235.31
137 09/10/2020	6,331.89	2,045.42	4,286.47	539,948.84
138 10/10/2020	6,331.89	2,029.31	4,302.58	535,646.26
139 11/10/2020	6,331.89	2,013.14	4,318.75	531,327.51
140 12/10/2020	6,331.89	1,996.91	4,334.98	526,992.53
141 01/10/2021	6,331.89	1,980.61	4,351.28	522,641.25
142 02/10/2021	6,331.89	1,964.26	4,367.63	518,273.62
143 03/10/2021	6,331.89	1,947.85	4,384.04	513,889.58
144 04/10/2021	6,331.89	1,931.37	4,400.52	509,489.06
145 05/10/2021	6,331.89	1,914.83	4,417.06	505,072.00
146 06/10/2021	6,331.89	1,898.23	4,433.66	500,638.34
2021 Totals	75,982.68	23,860.86	52,121.82	
147 07/10/2021	6,331.89	1,881.57	4,450.32	496,188.02
148 08/10/2021	6,331.89	1,864.84	4,467.05	491,720.97
149 09/10/2021	6,331.89	1,848.05	4,483.84	487,237.13
150 10/10/2021	6,331.89	1,831.20	4,500.69	482,736.44
151 11/10/2021	6,331.89	1,814.28	4,517.61	478,218.83
152 12/10/2021	6,331.89	1,797.31	4,534.58	473,684.25

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
153	01/10/2022	6,331.89	1,780.26	4,551.63	469,132.62
154	02/10/2022	6,331.89	1,763.16	4,568.73	464,563.89
155	03/10/2022	6,331.89	1,745.99	4,585.90	459,977.99
156	04/10/2022	6,331.89	1,728.75	4,603.14	455,374.85
157	05/10/2022	6,331.89	1,711.45	4,620.44	450,754.41
158	06/10/2022	6,331.89	1,694.09	4,637.80	446,116.61
2022 Totals		75,982.68	21,460.95	54,521.73	
159	07/10/2022	6,331.89	1,676.65	4,655.24	441,461.37
160	08/10/2022	6,331.89	1,659.16	4,672.73	436,788.64
161	09/10/2022	6,331.89	1,641.60	4,690.29	432,098.35
162	10/10/2022	6,331.89	1,623.97	4,707.92	427,390.43
163	11/10/2022	6,331.89	1,606.28	4,725.61	422,664.82
164	12/10/2022	6,331.89	1,588.52	4,743.37	417,921.45
165	01/10/2023	6,331.89	1,570.69	4,761.20	413,160.25
166	02/10/2023	6,331.89	1,552.79	4,779.10	408,381.15
167	03/10/2023	6,331.89	1,534.83	4,797.06	403,584.09
168	04/10/2023	6,331.89	1,516.80	4,815.09	398,769.00
169	05/10/2023	6,331.89	1,498.71	4,833.18	393,935.82
170	06/10/2023	6,331.89	1,480.54	4,851.35	389,084.47
2023 Totals		75,982.68	18,950.54	57,032.14	
171	07/10/2023	6,331.89	1,462.31	4,869.58	384,214.89
172	08/10/2023	6,331.89	1,444.01	4,887.88	379,327.01
173	09/10/2023	6,331.89	1,425.64	4,906.25	374,420.76
174	10/10/2023	6,331.89	1,407.20	4,924.69	369,496.07
175	11/10/2023	6,331.89	1,388.69	4,943.20	364,552.87
176	12/10/2023	6,331.89	1,370.11	4,961.78	359,591.09
177	01/10/2024	6,331.89	1,351.46	4,980.43	354,610.66
178	02/10/2024	6,331.89	1,332.75	4,999.14	349,611.52
179	03/10/2024	6,331.89	1,313.96	5,017.93	344,593.59
180	04/10/2024	6,331.89	1,295.10	5,036.79	339,556.80
181	05/10/2024	6,331.89	1,276.17	5,055.72	334,501.08
182	06/10/2024	6,331.89	1,257.17	5,074.72	329,426.36
2024 Totals		75,982.68	16,324.57	59,658.11	
183	07/10/2024	6,331.89	1,238.09	5,093.80	324,332.56
184	08/10/2024	6,331.89	1,218.95	5,112.94	319,219.62
185	09/10/2024	6,331.89	1,199.73	5,132.16	314,087.46
186	10/10/2024	6,331.89	1,180.45	5,151.44	308,936.02
187	11/10/2024	6,331.89	1,161.08	5,170.81	303,765.21
188	12/10/2024	6,331.89	1,141.65	5,190.24	298,574.97
189	01/10/2025	6,331.89	1,122.14	5,209.75	293,365.22
190	02/10/2025	6,331.89	1,102.56	5,229.33	288,135.89
191	03/10/2025	6,331.89	1,082.91	5,248.98	282,886.91
192	04/10/2025	6,331.89	1,063.18	5,268.71	277,618.20
193	05/10/2025	6,331.89	1,043.38	5,288.51	272,329.69
194	06/10/2025	6,331.89	1,023.51	5,308.38	267,021.31

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
2025 Totals	75,982.68	13,577.63	62,405.05	
195 07/10/2025	6,331.89	1,003.56	5,328.33	261,692.98
196 08/10/2025	6,331.89	983.53	5,348.36	256,344.62
197 09/10/2025	6,331.89	963.43	5,368.46	250,976.16
198 10/10/2025	6,331.89	943.25	5,388.64	245,587.52
199 11/10/2025	6,331.89	923.00	5,408.89	240,178.63
200 12/10/2025	6,331.89	902.67	5,429.22	234,749.41
201 01/10/2026	6,331.89	882.27	5,449.62	229,299.79
202 02/10/2026	6,331.89	861.79	5,470.10	223,829.69
203 03/10/2026	6,331.89	841.23	5,490.66	218,339.03
204 04/10/2026	6,331.89	820.59	5,511.30	212,827.73
205 05/10/2026	6,331.89	799.88	5,532.01	207,295.72
206 06/10/2026	6,331.89	779.09	5,552.80	201,742.92
2026 Totals	75,982.68	10,704.29	65,278.39	
207 07/10/2026	6,331.89	758.22	5,573.67	196,169.25
208 08/10/2026	6,331.89	737.27	5,594.62	190,574.63
209 09/10/2026	6,331.89	716.24	5,615.65	184,958.98
210 10/10/2026	6,331.89	695.14	5,636.75	179,322.23
211 11/10/2026	6,331.89	673.95	5,657.94	173,664.29
212 12/10/2026	6,331.89	652.69	5,679.20	167,985.09
213 01/10/2027	6,331.89	631.34	5,700.55	162,284.54
214 02/10/2027	6,331.89	609.92	5,721.97	156,562.57
215 03/10/2027	6,331.89	588.41	5,743.48	150,819.09
216 04/10/2027	6,331.89	566.83	5,765.06	145,054.03
217 05/10/2027	6,331.89	545.16	5,786.73	139,267.30
218 06/10/2027	6,331.89	523.41	5,808.48	133,458.82
2027 Totals	75,982.68	7,698.58	68,284.10	
219 07/10/2027	6,331.89	501.58	5,830.31	127,628.51
220 08/10/2027	6,331.89	479.67	5,852.22	121,776.29
221 09/10/2027	6,331.89	457.68	5,874.21	115,902.08
222 10/10/2027	6,331.89	435.60	5,896.29	110,005.79
223 11/10/2027	6,331.89	413.44	5,918.45	104,087.34
224 12/10/2027	6,331.89	391.19	5,940.70	98,146.64
225 01/10/2028	6,331.89	368.87	5,963.02	92,183.62
226 02/10/2028	6,331.89	346.46	5,985.43	86,198.19
227 03/10/2028	6,331.89	323.96	6,007.93	80,190.26
228 04/10/2028	6,331.89	301.38	6,030.51	74,159.75
229 05/10/2028	6,331.89	278.72	6,053.17	68,106.58
230 06/10/2028	6,331.89	255.97	6,075.92	62,030.66
2028 Totals	75,982.68	4,554.52	71,428.16	
231 07/10/2028	6,331.89	233.13	6,098.76	55,931.90
232 08/10/2028	6,331.89	210.21	6,121.68	49,810.22
233 09/10/2028	6,331.89	187.20	6,144.69	43,665.53
234 10/10/2028	6,331.89	164.11	6,167.78	37,497.75

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
235 11/10/2028	6,331.89	140.93	6,190.96	31,306.79
236 12/10/2028	6,331.89	117.66	6,214.23	25,092.56
237 01/10/2029	6,331.89	94.31	6,237.58	18,854.98
238 02/10/2029	6,331.89	70.86	6,261.03	12,593.95
239 03/10/2029	6,331.89	47.33	6,284.56	6,309.39
240 04/10/2029	6,331.89	22.50	6,309.39	0.00
2029 Totals	63,318.90	1,288.24	62,030.66	
Grand Totals	1,519,653.60	519,653.60	1,000,000.00	



March 3, 2009

John C. Stump
Bond Counsel
Steptoe and Johnson, PLLC
Chase Tower, eighth floor
Charleston, WV 25326

Governmental Finance
501 Tennessee Avenue
Charleston, WV 25302
(304) 353-1635
Fax (304) 340-4702

Dear Mr. Stump:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by the City of Lewisburg, West Virginia ("City").

- (1) **Project:** Water Revenue Bond, Series 2009
- (2) **Amount To Be Financed:** up to \$1,000,000.00

(3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Rate</u>
20 years	4.51%

Payments shall be monthly in arrears, as requested. See the attached amortization schedule(s) for information on payments.

The financing proceeds shall be deposited on behalf of the City in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the City for use on Project costs or interest payments.

The interest rates stated above are valid for a closing not later than 30 days after today. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property being acceptable to BB&T. We shall review your most recent financial statements before funding this transaction.

Remuneration for our legal expenses, preparation of documentation and for providing the project fund services for this financing transaction shall be \$4,250.00. All applicable taxes, permits, costs of lawyers for the City and any other costs shall be the City's responsibility and separately payable by the City. The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

The stated interest rates assume that the City expects to borrow less than \$10,000,000 in calendar year 2009 and that the City shall comply with IRS Code Sections 141, 148 and 149. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing for the purpose of IRS Code Section 265(b)(3).

(4) Financing Documents:

It shall be the responsibility of the City to retain and compensate counsel to appropriately structure the revenue bonds according to West Virginia and Federal Statutes. BB&T shall also require the City's Bond Counsel to provide an unqualified legal opinion. BB&T reserves the right to review the bond and it must be mutually accepted by BB&T and the City.

(5) Security:

The financing shall be secured by the net revenues of the City's water system on parity with existing water revenue bonds. The City shall be subject to a rate covenant which would provide debt service coverage of 115% on the Series 2009 and all prior water revenue bonds. The revenue bonds shall also have a fully funded debt service reserve fund equal to one year of debt service which shall be held at the West Virginia Municipal Bond Commission.

* * * * *

BB&T appreciates the opportunity to make this financing proposal and requests to be notified within five days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the City of its election to do so (whether or not this offer has previously been accepted by the City) if at any time prior to the closing there is a material adverse change in the City's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the City or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Please call me at (304) 353-1635 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY


Russell R. Akers, II
Vice President

Enclosure

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Compound Period : Monthly

Nominal Annual Rate : 4.510 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	03/03/2009	1,000,000.00	1		
2 Payment	04/03/2009	6,331.89	240	Monthly	03/03/2029

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	03/03/2009				1,000,000.00
1	04/03/2009	6,331.89	3,758.33	2,573.56	997,426.44
2	05/03/2009	6,331.89	3,748.66	2,583.23	994,843.21
3	06/03/2009	6,331.89	3,738.95	2,592.94	992,250.27
2009 Totals		18,995.67	11,245.94	7,749.73	
4	07/03/2009	6,331.89	3,729.21	2,602.68	989,647.59
5	08/03/2009	6,331.89	3,719.43	2,612.46	987,035.13
6	09/03/2009	6,331.89	3,709.61	2,622.28	984,412.85
7	10/03/2009	6,331.89	3,699.75	2,632.14	981,780.71
8	11/03/2009	6,331.89	3,689.86	2,642.03	979,138.68
9	12/03/2009	6,331.89	3,679.93	2,651.96	976,486.72
10	01/03/2010	6,331.89	3,669.96	2,661.93	973,824.79
11	02/03/2010	6,331.89	3,659.96	2,671.93	971,152.86
12	03/03/2010	6,331.89	3,649.92	2,681.97	968,470.89
13	04/03/2010	6,331.89	3,639.84	2,692.05	965,778.84
14	05/03/2010	6,331.89	3,629.72	2,702.17	963,076.67
15	06/03/2010	6,331.89	3,619.56	2,712.33	960,364.34
2010 Totals		75,982.68	44,096.75	31,885.93	
16	07/03/2010	6,331.89	3,609.37	2,722.52	957,641.82
17	08/03/2010	6,331.89	3,599.14	2,732.75	954,909.07
18	09/03/2010	6,331.89	3,588.87	2,743.02	952,166.05
19	10/03/2010	6,331.89	3,578.56	2,753.33	949,412.72
20	11/03/2010	6,331.89	3,568.21	2,763.68	946,649.04
21	12/03/2010	6,331.89	3,557.82	2,774.07	943,874.97
22	01/03/2011	6,331.89	3,547.40	2,784.49	941,090.48
23	02/03/2011	6,331.89	3,536.93	2,794.96	938,295.52
24	03/03/2011	6,331.89	3,526.43	2,805.46	935,490.06
25	04/03/2011	6,331.89	3,515.88	2,816.01	932,674.05
26	05/03/2011	6,331.89	3,505.30	2,826.59	929,847.46
27	06/03/2011	6,331.89	3,494.68	2,837.21	927,010.25
2011 Totals		75,982.68	42,628.59	33,354.09	
28	07/03/2011	6,331.89	3,484.01	2,847.88	924,162.37

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
29 08/03/2011	6,331.89	3,473.31	2,858.58	921,303.79
30 09/03/2011	6,331.89	3,462.57	2,869.32	918,434.47
31 10/03/2011	6,331.89	3,451.78	2,880.11	915,554.36
32 11/03/2011	6,331.89	3,440.96	2,890.93	912,663.43
33 12/03/2011	6,331.89	3,430.09	2,901.80	909,761.63
34 01/03/2012	6,331.89	3,419.19	2,912.70	906,848.93
35 02/03/2012	6,331.89	3,408.24	2,923.65	903,925.28
36 03/03/2012	6,331.89	3,397.25	2,934.64	900,990.64
37 04/03/2012	6,331.89	3,386.22	2,945.67	898,044.97
38 05/03/2012	6,331.89	3,375.15	2,956.74	895,088.23
39 06/03/2012	6,331.89	3,364.04	2,967.85	892,120.38
2012 Totals	75,982.68	41,092.81	34,889.87	
40 07/03/2012	6,331.89	3,352.89	2,979.00	889,141.38
41 08/03/2012	6,331.89	3,341.69	2,990.20	886,151.18
42 09/03/2012	6,331.89	3,330.45	3,001.44	883,149.74
43 10/03/2012	6,331.89	3,319.17	3,012.72	880,137.02
44 11/03/2012	6,331.89	3,307.85	3,024.04	877,112.98
45 12/03/2012	6,331.89	3,296.48	3,035.41	874,077.57
46 01/03/2013	6,331.89	3,285.07	3,046.82	871,030.75
47 02/03/2013	6,331.89	3,273.62	3,058.27	867,972.48
48 03/03/2013	6,331.89	3,262.13	3,069.76	864,902.72
49 04/03/2013	6,331.89	3,250.59	3,081.30	861,821.42
50 05/03/2013	6,331.89	3,239.01	3,092.88	858,728.54
51 06/03/2013	6,331.89	3,227.39	3,104.50	855,624.04
2013 Totals	75,982.68	39,486.34	36,496.34	
52 07/03/2013	6,331.89	3,215.72	3,116.17	852,507.87
53 08/03/2013	6,331.89	3,204.01	3,127.88	849,379.99
54 09/03/2013	6,331.89	3,192.25	3,139.64	846,240.35
55 10/03/2013	6,331.89	3,180.45	3,151.44	843,088.91
56 11/03/2013	6,331.89	3,168.61	3,163.28	839,925.63
57 12/03/2013	6,331.89	3,156.72	3,175.17	836,750.46
58 01/03/2014	6,331.89	3,144.79	3,187.10	833,563.36
59 02/03/2014	6,331.89	3,132.81	3,199.08	830,364.28
60 03/03/2014	6,331.89	3,120.79	3,211.10	827,153.18
61 04/03/2014	6,331.89	3,108.72	3,223.17	823,930.01
62 05/03/2014	6,331.89	3,096.60	3,235.29	820,694.72
63 06/03/2014	6,331.89	3,084.44	3,247.45	817,447.27
2014 Totals	75,982.68	37,805.91	38,176.77	
64 07/03/2014	6,331.89	3,072.24	3,259.65	814,187.62
65 08/03/2014	6,331.89	3,059.99	3,271.90	810,915.72
66 09/03/2014	6,331.89	3,047.69	3,284.20	807,631.52
67 10/03/2014	6,331.89	3,035.35	3,296.54	804,334.98
68 11/03/2014	6,331.89	3,022.96	3,308.93	801,026.05
69 12/03/2014	6,331.89	3,010.52	3,321.37	797,704.68
70 01/03/2015	6,331.89	2,998.04	3,333.85	794,370.83

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
71	02/03/2015	6,331.89	2,985.51	3,346.38	791,024.45
72	03/03/2015	6,331.89	2,972.93	3,358.96	787,665.49
73	04/03/2015	6,331.89	2,960.31	3,371.58	784,293.91
74	05/03/2015	6,331.89	2,947.64	3,384.25	780,909.66
75	06/03/2015	6,331.89	2,934.92	3,396.97	777,512.69
2015 Totals		75,982.68	36,048.10	39,934.58	
76	07/03/2015	6,331.89	2,922.15	3,409.74	774,102.95
77	08/03/2015	6,331.89	2,909.34	3,422.55	770,680.40
78	09/03/2015	6,331.89	2,896.47	3,435.42	767,244.98
79	10/03/2015	6,331.89	2,883.56	3,448.33	763,796.65
80	11/03/2015	6,331.89	2,870.60	3,461.29	760,335.36
81	12/03/2015	6,331.89	2,857.59	3,474.30	756,861.06
82	01/03/2016	6,331.89	2,844.54	3,487.35	753,373.71
83	02/03/2016	6,331.89	2,831.43	3,500.46	749,873.25
84	03/03/2016	6,331.89	2,818.27	3,513.62	746,359.63
85	04/03/2016	6,331.89	2,805.07	3,526.82	742,832.81
86	05/03/2016	6,331.89	2,791.81	3,540.08	739,292.73
87	06/03/2016	6,331.89	2,778.51	3,553.38	735,739.35
2016 Totals		75,982.68	34,209.34	41,773.34	
88	07/03/2016	6,331.89	2,765.15	3,566.74	732,172.61
89	08/03/2016	6,331.89	2,751.75	3,580.14	728,592.47
90	09/03/2016	6,331.89	2,738.29	3,593.60	724,998.87
91	10/03/2016	6,331.89	2,724.79	3,607.10	721,391.77
92	11/03/2016	6,331.89	2,711.23	3,620.66	717,771.11
93	12/03/2016	6,331.89	2,697.62	3,634.27	714,136.84
94	01/03/2017	6,331.89	2,683.96	3,647.93	710,488.91
95	02/03/2017	6,331.89	2,670.25	3,661.64	706,827.27
96	03/03/2017	6,331.89	2,656.49	3,675.40	703,151.87
97	04/03/2017	6,331.89	2,642.68	3,689.21	699,462.66
98	05/03/2017	6,331.89	2,628.81	3,703.08	695,759.58
99	06/03/2017	6,331.89	2,614.90	3,716.99	692,042.59
2017 Totals		75,982.68	32,285.92	43,696.76	
100	07/03/2017	6,331.89	2,600.93	3,730.96	688,311.63
101	08/03/2017	6,331.89	2,586.90	3,744.99	684,566.64
102	09/03/2017	6,331.89	2,572.83	3,759.06	680,807.58
103	10/03/2017	6,331.89	2,558.70	3,773.19	677,034.39
104	11/03/2017	6,331.89	2,544.52	3,787.37	673,247.02
105	12/03/2017	6,331.89	2,530.29	3,801.60	669,445.42
106	01/03/2018	6,331.89	2,516.00	3,815.89	665,629.53
107	02/03/2018	6,331.89	2,501.66	3,830.23	661,799.30
108	03/03/2018	6,331.89	2,487.26	3,844.63	657,954.67
109	04/03/2018	6,331.89	2,472.81	3,859.08	654,095.59
110	05/03/2018	6,331.89	2,458.31	3,873.58	650,222.01
111	06/03/2018	6,331.89	2,443.75	3,888.14	646,333.87
2018 Totals		75,982.68	30,273.96	45,708.72	

City of Lewisburg, West Virginia
 Series 2009, water revenue bond

Compound Period : Monthly

Nominal Annual Rate : 4.510 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	04/10/2009	1,000,000.00	1		
2 Payment	05/10/2009	6,331.89	240	Monthly	04/10/2029

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	04/10/2009				1,000,000.00
1	05/10/2009	6,331.89	3,758.33	2,573.56	997,426.44
2	06/10/2009	6,331.89	3,748.66	2,583.23	994,843.21
2009 Totals		12,663.78	7,506.99	5,156.79	
3	07/10/2009	6,331.89	3,738.95	2,592.94	992,250.27
4	08/10/2009	6,331.89	3,729.21	2,602.68	989,647.59
5	09/10/2009	6,331.89	3,719.43	2,612.46	987,035.13
6	10/10/2009	6,331.89	3,709.61	2,622.28	984,412.85
7	11/10/2009	6,331.89	3,699.75	2,632.14	981,780.71
8	12/10/2009	6,331.89	3,689.86	2,642.03	979,138.68
9	01/10/2010	6,331.89	3,679.93	2,651.96	976,486.72
10	02/10/2010	6,331.89	3,669.96	2,661.93	973,824.79
11	03/10/2010	6,331.89	3,659.96	2,671.93	971,152.86
12	04/10/2010	6,331.89	3,649.92	2,681.97	968,470.89
13	05/10/2010	6,331.89	3,639.84	2,692.05	965,778.84
14	06/10/2010	6,331.89	3,629.72	2,702.17	963,076.67
2010 Totals		75,982.68	44,216.14	31,766.54	
15	07/10/2010	6,331.89	3,619.56	2,712.33	960,364.34
16	08/10/2010	6,331.89	3,609.37	2,722.52	957,641.82
17	09/10/2010	6,331.89	3,599.14	2,732.75	954,909.07
18	10/10/2010	6,331.89	3,588.87	2,743.02	952,166.05
19	11/10/2010	6,331.89	3,578.56	2,753.33	949,412.72
20	12/10/2010	6,331.89	3,568.21	2,763.68	946,649.04
21	01/10/2011	6,331.89	3,557.82	2,774.07	943,874.97
22	02/10/2011	6,331.89	3,547.40	2,784.49	941,090.48
23	03/10/2011	6,331.89	3,536.93	2,794.96	938,295.52
24	04/10/2011	6,331.89	3,526.43	2,805.46	935,490.06
25	05/10/2011	6,331.89	3,515.88	2,816.01	932,674.05
26	06/10/2011	6,331.89	3,505.30	2,826.59	929,847.46
2011 Totals		75,982.68	42,753.47	33,229.21	
27	07/10/2011	6,331.89	3,494.68	2,837.21	927,010.25
28	08/10/2011	6,331.89	3,484.01	2,847.88	924,162.37

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
29 09/10/2011	6,331.89	3,473.31	2,858.58	921,303.79
30 10/10/2011	6,331.89	3,462.57	2,869.32	918,434.47
31 11/10/2011	6,331.89	3,451.78	2,880.11	915,554.36
32 12/10/2011	6,331.89	3,440.96	2,890.93	912,663.43
33 01/10/2012	6,331.89	3,430.09	2,901.80	909,761.63
34 02/10/2012	6,331.89	3,419.19	2,912.70	906,848.93
35 03/10/2012	6,331.89	3,408.24	2,923.65	903,925.28
36 04/10/2012	6,331.89	3,397.25	2,934.64	900,990.64
37 05/10/2012	6,331.89	3,386.22	2,945.67	898,044.97
38 06/10/2012	6,331.89	3,375.15	2,956.74	895,088.23
2012 Totals	75,982.68	41,223.45	34,759.23	
39 07/10/2012	6,331.89	3,364.04	2,967.85	892,120.38
40 08/10/2012	6,331.89	3,352.89	2,979.00	889,141.38
41 09/10/2012	6,331.89	3,341.69	2,990.20	886,151.18
42 10/10/2012	6,331.89	3,330.45	3,001.44	883,149.74
43 11/10/2012	6,331.89	3,319.17	3,012.72	880,137.02
44 12/10/2012	6,331.89	3,307.85	3,024.04	877,112.98
45 01/10/2013	6,331.89	3,296.48	3,035.41	874,077.57
46 02/10/2013	6,331.89	3,285.07	3,046.82	871,030.75
47 03/10/2013	6,331.89	3,273.62	3,058.27	867,972.48
48 04/10/2013	6,331.89	3,262.13	3,069.76	864,902.72
49 05/10/2013	6,331.89	3,250.59	3,081.30	861,821.42
50 06/10/2013	6,331.89	3,239.01	3,092.88	858,728.54
2013 Totals	75,982.68	39,622.99	36,359.69	
51 07/10/2013	6,331.89	3,227.39	3,104.50	855,624.04
52 08/10/2013	6,331.89	3,215.72	3,116.17	852,507.87
53 09/10/2013	6,331.89	3,204.01	3,127.88	849,379.99
54 10/10/2013	6,331.89	3,192.25	3,139.64	846,240.35
55 11/10/2013	6,331.89	3,180.45	3,151.44	843,088.91
56 12/10/2013	6,331.89	3,168.61	3,163.28	839,925.63
57 01/10/2014	6,331.89	3,156.72	3,175.17	836,750.46
58 02/10/2014	6,331.89	3,144.79	3,187.10	833,563.36
59 03/10/2014	6,331.89	3,132.81	3,199.08	830,364.28
60 04/10/2014	6,331.89	3,120.79	3,211.10	827,153.18
61 05/10/2014	6,331.89	3,108.72	3,223.17	823,930.01
62 06/10/2014	6,331.89	3,096.60	3,235.29	820,694.72
2014 Totals	75,982.68	37,948.86	38,033.82	
63 07/10/2014	6,331.89	3,084.44	3,247.45	817,447.27
64 08/10/2014	6,331.89	3,072.24	3,259.65	814,187.62
65 09/10/2014	6,331.89	3,059.99	3,271.90	810,915.72
66 10/10/2014	6,331.89	3,047.69	3,284.20	807,631.52
67 11/10/2014	6,331.89	3,035.35	3,296.54	804,334.98
68 12/10/2014	6,331.89	3,022.96	3,308.93	801,026.05
69 01/10/2015	6,331.89	3,010.52	3,321.37	797,704.68
70 02/10/2015	6,331.89	2,998.04	3,333.85	794,370.83

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
	71 03/10/2015	6,331.89	2,985.51	3,346.38	791,024.45
	72 04/10/2015	6,331.89	2,972.93	3,358.96	787,665.49
	73 05/10/2015	6,331.89	2,960.31	3,371.58	784,293.91
	74 06/10/2015	6,331.89	2,947.64	3,384.25	780,909.66
2015 Totals		75,982.68	36,197.62	39,785.06	
	75 07/10/2015	6,331.89	2,934.92	3,396.97	777,512.69
	76 08/10/2015	6,331.89	2,922.15	3,409.74	774,102.95
	77 09/10/2015	6,331.89	2,909.34	3,422.55	770,680.40
	78 10/10/2015	6,331.89	2,896.47	3,435.42	767,244.98
	79 11/10/2015	6,331.89	2,883.56	3,448.33	763,796.65
	80 12/10/2015	6,331.89	2,870.60	3,461.29	760,335.36
	81 01/10/2016	6,331.89	2,857.59	3,474.30	756,861.06
	82 02/10/2016	6,331.89	2,844.54	3,487.35	753,373.71
	83 03/10/2016	6,331.89	2,831.43	3,500.46	749,873.25
	84 04/10/2016	6,331.89	2,818.27	3,513.62	746,359.63
	85 05/10/2016	6,331.89	2,805.07	3,526.82	742,832.81
	86 06/10/2016	6,331.89	2,791.81	3,540.08	739,292.73
2016 Totals		75,982.68	34,365.75	41,616.93	
	87 07/10/2016	6,331.89	2,778.51	3,553.38	735,739.35
	88 08/10/2016	6,331.89	2,765.15	3,566.74	732,172.61
	89 09/10/2016	6,331.89	2,751.75	3,580.14	728,592.47
	90 10/10/2016	6,331.89	2,738.29	3,593.60	724,998.87
	91 11/10/2016	6,331.89	2,724.79	3,607.10	721,391.77
	92 12/10/2016	6,331.89	2,711.23	3,620.66	717,771.11
	93 01/10/2017	6,331.89	2,697.62	3,634.27	714,136.84
	94 02/10/2017	6,331.89	2,683.96	3,647.93	710,488.91
	95 03/10/2017	6,331.89	2,670.25	3,661.64	706,827.27
	96 04/10/2017	6,331.89	2,656.49	3,675.40	703,151.87
	97 05/10/2017	6,331.89	2,642.68	3,689.21	699,462.66
	98 06/10/2017	6,331.89	2,628.81	3,703.08	695,759.58
2017 Totals		75,982.68	32,449.53	43,533.15	
	99 07/10/2017	6,331.89	2,614.90	3,716.99	692,042.59
	100 08/10/2017	6,331.89	2,600.93	3,730.96	688,311.63
	101 09/10/2017	6,331.89	2,586.90	3,744.99	684,566.64
	102 10/10/2017	6,331.89	2,572.83	3,759.06	680,807.58
	103 11/10/2017	6,331.89	2,558.70	3,773.19	677,034.39
	104 12/10/2017	6,331.89	2,544.52	3,787.37	673,247.02
	105 01/10/2018	6,331.89	2,530.29	3,801.60	669,445.42
	106 02/10/2018	6,331.89	2,516.00	3,815.89	665,629.53
	107 03/10/2018	6,331.89	2,501.66	3,830.23	661,799.30
	108 04/10/2018	6,331.89	2,487.26	3,844.63	657,954.67
	109 05/10/2018	6,331.89	2,472.81	3,859.08	654,095.59
	110 06/10/2018	6,331.89	2,458.31	3,873.58	650,222.01
2018 Totals		75,982.68	30,445.11	45,537.57	

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
111 07/10/2018	6,331.89	2,443.75	3,888.14	646,333.87
112 08/10/2018	6,331.89	2,429.14	3,902.75	642,431.12
113 09/10/2018	6,331.89	2,414.47	3,917.42	638,513.70
114 10/10/2018	6,331.89	2,399.75	3,932.14	634,581.56
115 11/10/2018	6,331.89	2,384.97	3,946.92	630,634.64
116 12/10/2018	6,331.89	2,370.14	3,961.75	626,672.89
117 01/10/2019	6,331.89	2,355.25	3,976.64	622,696.25
118 02/10/2019	6,331.89	2,340.30	3,991.59	618,704.66
119 03/10/2019	6,331.89	2,325.30	4,006.59	614,698.07
120 04/10/2019	6,331.89	2,310.24	4,021.65	610,676.42
121 05/10/2019	6,331.89	2,295.13	4,036.76	606,639.66
122 06/10/2019	6,331.89	2,279.95	4,051.94	602,587.72
2019 Totals	75,982.68	28,348.39	47,634.29	
123 07/10/2019	6,331.89	2,264.73	4,067.16	598,520.56
124 08/10/2019	6,331.89	2,249.44	4,082.45	594,438.11
125 09/10/2019	6,331.89	2,234.10	4,097.79	590,340.32
126 10/10/2019	6,331.89	2,218.70	4,113.19	586,227.13
127 11/10/2019	6,331.89	2,203.24	4,128.65	582,098.48
128 12/10/2019	6,331.89	2,187.72	4,144.17	577,954.31
129 01/10/2020	6,331.89	2,172.14	4,159.75	573,794.56
130 02/10/2020	6,331.89	2,156.51	4,175.38	569,619.18
131 03/10/2020	6,331.89	2,140.82	4,191.07	565,428.11
132 04/10/2020	6,331.89	2,125.07	4,206.82	561,221.29
133 05/10/2020	6,331.89	2,109.26	4,222.63	556,998.66
134 06/10/2020	6,331.89	2,093.39	4,238.50	552,760.16
2020 Totals	75,982.68	26,155.12	49,827.56	
135 07/10/2020	6,331.89	2,077.46	4,254.43	548,505.73
136 08/10/2020	6,331.89	2,061.47	4,270.42	544,235.31
137 09/10/2020	6,331.89	2,045.42	4,286.47	539,948.84
138 10/10/2020	6,331.89	2,029.31	4,302.58	535,646.26
139 11/10/2020	6,331.89	2,013.14	4,318.75	531,327.51
140 12/10/2020	6,331.89	1,996.91	4,334.98	526,992.53
141 01/10/2021	6,331.89	1,980.61	4,351.28	522,641.25
142 02/10/2021	6,331.89	1,964.26	4,367.63	518,273.62
143 03/10/2021	6,331.89	1,947.85	4,384.04	513,889.58
144 04/10/2021	6,331.89	1,931.37	4,400.52	509,489.06
145 05/10/2021	6,331.89	1,914.83	4,417.06	505,072.00
146 06/10/2021	6,331.89	1,898.23	4,433.66	500,638.34
2021 Totals	75,982.68	23,860.86	52,121.82	
147 07/10/2021	6,331.89	1,881.57	4,450.32	496,188.02
148 08/10/2021	6,331.89	1,864.84	4,467.05	491,720.97
149 09/10/2021	6,331.89	1,848.05	4,483.84	487,237.13
150 10/10/2021	6,331.89	1,831.20	4,500.69	482,736.44
151 11/10/2021	6,331.89	1,814.28	4,517.61	478,218.83
152 12/10/2021	6,331.89	1,797.31	4,534.58	473,684.25

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
153	01/10/2022	6,331.89	1,780.26	4,551.63	469,132.62
154	02/10/2022	6,331.89	1,763.16	4,568.73	464,563.89
155	03/10/2022	6,331.89	1,745.99	4,585.90	459,977.99
156	04/10/2022	6,331.89	1,728.75	4,603.14	455,374.85
157	05/10/2022	6,331.89	1,711.45	4,620.44	450,754.41
158	06/10/2022	6,331.89	1,694.09	4,637.80	446,116.61
2022 Totals		75,982.68	21,460.95	54,521.73	
159	07/10/2022	6,331.89	1,676.65	4,655.24	441,461.37
160	08/10/2022	6,331.89	1,659.16	4,672.73	436,788.64
161	09/10/2022	6,331.89	1,641.60	4,690.29	432,098.35
162	10/10/2022	6,331.89	1,623.97	4,707.92	427,390.43
163	11/10/2022	6,331.89	1,606.28	4,725.61	422,664.82
164	12/10/2022	6,331.89	1,588.52	4,743.37	417,921.45
165	01/10/2023	6,331.89	1,570.69	4,761.20	413,160.25
166	02/10/2023	6,331.89	1,552.79	4,779.10	408,381.15
167	03/10/2023	6,331.89	1,534.83	4,797.06	403,584.09
168	04/10/2023	6,331.89	1,516.80	4,815.09	398,769.00
169	05/10/2023	6,331.89	1,498.71	4,833.18	393,935.82
170	06/10/2023	6,331.89	1,480.54	4,851.35	389,084.47
2023 Totals		75,982.68	18,950.54	57,032.14	
171	07/10/2023	6,331.89	1,462.31	4,869.58	384,214.89
172	08/10/2023	6,331.89	1,444.01	4,887.88	379,327.01
173	09/10/2023	6,331.89	1,425.64	4,906.25	374,420.76
174	10/10/2023	6,331.89	1,407.20	4,924.69	369,496.07
175	11/10/2023	6,331.89	1,388.69	4,943.20	364,552.87
176	12/10/2023	6,331.89	1,370.11	4,961.78	359,591.09
177	01/10/2024	6,331.89	1,351.46	4,980.43	354,610.66
178	02/10/2024	6,331.89	1,332.75	4,999.14	349,611.52
179	03/10/2024	6,331.89	1,313.96	5,017.93	344,593.59
180	04/10/2024	6,331.89	1,295.10	5,036.79	339,556.80
181	05/10/2024	6,331.89	1,276.17	5,055.72	334,501.08
182	06/10/2024	6,331.89	1,257.17	5,074.72	329,426.36
2024 Totals		75,982.68	16,324.57	59,658.11	
183	07/10/2024	6,331.89	1,238.09	5,093.80	324,332.56
184	08/10/2024	6,331.89	1,218.95	5,112.94	319,219.62
185	09/10/2024	6,331.89	1,199.73	5,132.16	314,087.46
186	10/10/2024	6,331.89	1,180.45	5,151.44	308,936.02
187	11/10/2024	6,331.89	1,161.08	5,170.81	303,765.21
188	12/10/2024	6,331.89	1,141.65	5,190.24	298,574.97
189	01/10/2025	6,331.89	1,122.14	5,209.75	293,365.22
190	02/10/2025	6,331.89	1,102.56	5,229.33	288,135.89
191	03/10/2025	6,331.89	1,082.91	5,248.98	282,886.91
192	04/10/2025	6,331.89	1,063.18	5,268.71	277,618.20
193	05/10/2025	6,331.89	1,043.38	5,288.51	272,329.69
194	06/10/2025	6,331.89	1,023.51	5,308.38	267,021.31

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
2025 Totals	75,982.68	13,577.63	62,405.05	
195 07/10/2025	6,331.89	1,003.56	5,328.33	261,692.98
196 08/10/2025	6,331.89	983.53	5,348.36	256,344.62
197 09/10/2025	6,331.89	963.43	5,368.46	250,976.16
198 10/10/2025	6,331.89	943.25	5,388.64	245,587.52
199 11/10/2025	6,331.89	923.00	5,408.89	240,178.63
200 12/10/2025	6,331.89	902.67	5,429.22	234,749.41
201 01/10/2026	6,331.89	882.27	5,449.62	229,299.79
202 02/10/2026	6,331.89	861.79	5,470.10	223,829.69
203 03/10/2026	6,331.89	841.23	5,490.66	218,339.03
204 04/10/2026	6,331.89	820.59	5,511.30	212,827.73
205 05/10/2026	6,331.89	799.88	5,532.01	207,295.72
206 06/10/2026	6,331.89	779.09	5,552.80	201,742.92
2026 Totals	75,982.68	10,704.29	65,278.39	
207 07/10/2026	6,331.89	758.22	5,573.67	196,169.25
208 08/10/2026	6,331.89	737.27	5,594.62	190,574.63
209 09/10/2026	6,331.89	716.24	5,615.65	184,958.98
210 10/10/2026	6,331.89	695.14	5,636.75	179,322.23
211 11/10/2026	6,331.89	673.95	5,657.94	173,664.29
212 12/10/2026	6,331.89	652.69	5,679.20	167,985.09
213 01/10/2027	6,331.89	631.34	5,700.55	162,284.54
214 02/10/2027	6,331.89	609.92	5,721.97	156,562.57
215 03/10/2027	6,331.89	588.41	5,743.48	150,819.09
216 04/10/2027	6,331.89	566.83	5,765.06	145,054.03
217 05/10/2027	6,331.89	545.16	5,786.73	139,267.30
218 06/10/2027	6,331.89	523.41	5,808.48	133,458.82
2027 Totals	75,982.68	7,698.58	68,284.10	
219 07/10/2027	6,331.89	501.58	5,830.31	127,628.51
220 08/10/2027	6,331.89	479.67	5,852.22	121,776.29
221 09/10/2027	6,331.89	457.68	5,874.21	115,902.08
222 10/10/2027	6,331.89	435.60	5,896.29	110,005.79
223 11/10/2027	6,331.89	413.44	5,918.45	104,087.34
224 12/10/2027	6,331.89	391.19	5,940.70	98,146.64
225 01/10/2028	6,331.89	368.87	5,963.02	92,183.62
226 02/10/2028	6,331.89	346.46	5,985.43	86,198.19
227 03/10/2028	6,331.89	323.96	6,007.93	80,190.26
228 04/10/2028	6,331.89	301.38	6,030.51	74,159.75
229 05/10/2028	6,331.89	278.72	6,053.17	68,106.58
230 06/10/2028	6,331.89	255.97	6,075.92	62,030.66
2028 Totals	75,982.68	4,554.52	71,428.16	
231 07/10/2028	6,331.89	233.13	6,098.76	55,931.90
232 08/10/2028	6,331.89	210.21	6,121.68	49,810.22
233 09/10/2028	6,331.89	187.20	6,144.69	43,665.53
234 10/10/2028	6,331.89	164.11	6,167.78	37,497.75

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
235 11/10/2028	6,331.89	140.93	6,190.96	31,306.79
236 12/10/2028	6,331.89	117.66	6,214.23	25,092.56
237 01/10/2029	6,331.89	94.31	6,237.58	18,854.98
238 02/10/2029	6,331.89	70.86	6,261.03	12,593.95
239 03/10/2029	6,331.89	47.33	6,284.56	6,309.39
240 04/10/2029	6,331.89	22.50	6,309.39	0.00
2029 Totals	63,318.90	1,288.24	62,030.66	
Grand Totals	1,519,653.60	519,653.60	1,000,000.00	

City of Lewisburg, West Virginia
Series 2009, water revenue bond

Date	Payment	Interest	Principal	Balance
112 07/03/2018	6,331.89	2,429.14	3,902.75	642,431.12
113 08/03/2018	6,331.89	2,414.47	3,917.42	638,513.70
114 09/03/2018	6,331.89	2,399.75	3,932.14	634,581.56
115 10/03/2018	6,331.89	2,384.97	3,946.92	630,634.64
116 11/03/2018	6,331.89	2,370.14	3,961.75	626,672.89
117 12/03/2018	6,331.89	2,355.25	3,976.64	622,696.25
118 01/03/2019	6,331.89	2,340.30	3,991.59	618,704.66
119 02/03/2019	6,331.89	2,325.30	4,006.59	614,698.07
120 03/03/2019	6,331.89	2,310.24	4,021.65	610,676.42
121 04/03/2019	6,331.89	2,295.13	4,036.76	606,639.66
122 05/03/2019	6,331.89	2,279.95	4,051.94	602,587.72
123 06/03/2019	6,331.89	2,264.73	4,067.16	598,520.56
2019 Totals	75,982.68	28,169.37	47,813.31	
124 07/03/2019	6,331.89	2,249.44	4,082.45	594,438.11
125 08/03/2019	6,331.89	2,234.10	4,097.79	590,340.32
126 09/03/2019	6,331.89	2,218.70	4,113.19	586,227.13
127 10/03/2019	6,331.89	2,203.24	4,128.65	582,098.48
128 11/03/2019	6,331.89	2,187.72	4,144.17	577,954.31
129 12/03/2019	6,331.89	2,172.14	4,159.75	573,794.56
130 01/03/2020	6,331.89	2,156.51	4,175.38	569,619.18
131 02/03/2020	6,331.89	2,140.82	4,191.07	565,428.11
132 03/03/2020	6,331.89	2,125.07	4,206.82	561,221.29
133 04/03/2020	6,331.89	2,109.26	4,222.63	556,998.66
134 05/03/2020	6,331.89	2,093.39	4,238.50	552,760.16
135 06/03/2020	6,331.89	2,077.46	4,254.43	548,505.73
2020 Totals	75,982.68	25,967.85	50,014.83	
136 07/03/2020	6,331.89	2,061.47	4,270.42	544,235.31
137 08/03/2020	6,331.89	2,045.42	4,286.47	539,948.84
138 09/03/2020	6,331.89	2,029.31	4,302.58	535,646.26
139 10/03/2020	6,331.89	2,013.14	4,318.75	531,327.51
140 11/03/2020	6,331.89	1,996.91	4,334.98	526,992.53
141 12/03/2020	6,331.89	1,980.61	4,351.28	522,641.25
142 01/03/2021	6,331.89	1,964.26	4,367.63	518,273.62
143 02/03/2021	6,331.89	1,947.85	4,384.04	513,889.58
144 03/03/2021	6,331.89	1,931.37	4,400.52	509,489.06
145 04/03/2021	6,331.89	1,914.83	4,417.06	505,072.00
146 05/03/2021	6,331.89	1,898.23	4,433.66	500,638.34
147 06/03/2021	6,331.89	1,881.57	4,450.32	496,188.02
2021 Totals	75,982.68	23,664.97	52,317.71	
148 07/03/2021	6,331.89	1,864.84	4,467.05	491,720.97
149 08/03/2021	6,331.89	1,848.05	4,483.84	487,237.13
150 09/03/2021	6,331.89	1,831.20	4,500.69	482,736.44
151 10/03/2021	6,331.89	1,814.28	4,517.61	478,218.83
152 11/03/2021	6,331.89	1,797.31	4,534.58	473,684.25
153 12/03/2021	6,331.89	1,780.26	4,551.63	469,132.62

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
154	01/03/2022	6,331.89	1,763.16	4,568.73	464,563.89
155	02/03/2022	6,331.89	1,745.99	4,585.90	459,977.99
156	03/03/2022	6,331.89	1,728.75	4,603.14	455,374.85
157	04/03/2022	6,331.89	1,711.45	4,620.44	450,754.41
158	05/03/2022	6,331.89	1,694.09	4,637.80	446,116.61
159	06/03/2022	6,331.89	1,676.65	4,655.24	441,461.37
2022 Totals		75,982.68	21,256.03	54,726.65	
160	07/03/2022	6,331.89	1,659.16	4,672.73	436,788.64
161	08/03/2022	6,331.89	1,641.60	4,690.29	432,098.35
162	09/03/2022	6,331.89	1,623.97	4,707.92	427,390.43
163	10/03/2022	6,331.89	1,606.28	4,725.61	422,664.82
164	11/03/2022	6,331.89	1,588.52	4,743.37	417,921.45
165	12/03/2022	6,331.89	1,570.69	4,761.20	413,160.25
166	01/03/2023	6,331.89	1,552.79	4,779.10	408,381.15
167	02/03/2023	6,331.89	1,534.83	4,797.06	403,584.09
168	03/03/2023	6,331.89	1,516.80	4,815.09	398,769.00
169	04/03/2023	6,331.89	1,498.71	4,833.18	393,935.82
170	05/03/2023	6,331.89	1,480.54	4,851.35	389,084.47
171	06/03/2023	6,331.89	1,462.31	4,869.58	384,214.89
2023 Totals		75,982.68	18,736.20	57,246.48	
172	07/03/2023	6,331.89	1,444.01	4,887.88	379,327.01
173	08/03/2023	6,331.89	1,425.64	4,906.25	374,420.76
174	09/03/2023	6,331.89	1,407.20	4,924.69	369,496.07
175	10/03/2023	6,331.89	1,388.69	4,943.20	364,552.87
176	11/03/2023	6,331.89	1,370.11	4,961.78	359,591.09
177	12/03/2023	6,331.89	1,351.46	4,980.43	354,610.66
178	01/03/2024	6,331.89	1,332.75	4,999.14	349,611.52
179	02/03/2024	6,331.89	1,313.96	5,017.93	344,593.59
180	03/03/2024	6,331.89	1,295.10	5,036.79	339,556.80
181	04/03/2024	6,331.89	1,276.17	5,055.72	334,501.08
182	05/03/2024	6,331.89	1,257.17	5,074.72	329,426.36
183	06/03/2024	6,331.89	1,238.09	5,093.80	324,332.56
2024 Totals		75,982.68	16,100.35	59,882.33	
184	07/03/2024	6,331.89	1,218.95	5,112.94	319,219.62
185	08/03/2024	6,331.89	1,199.73	5,132.16	314,087.46
186	09/03/2024	6,331.89	1,180.45	5,151.44	308,936.02
187	10/03/2024	6,331.89	1,161.08	5,170.81	303,765.21
188	11/03/2024	6,331.89	1,141.65	5,190.24	298,574.97
189	12/03/2024	6,331.89	1,122.14	5,209.75	293,365.22
190	01/03/2025	6,331.89	1,102.56	5,229.33	288,135.89
191	02/03/2025	6,331.89	1,082.91	5,248.98	282,886.91
192	03/03/2025	6,331.89	1,063.18	5,268.71	277,618.20
193	04/03/2025	6,331.89	1,043.38	5,288.51	272,329.69
194	05/03/2025	6,331.89	1,023.51	5,308.38	267,021.31
195	06/03/2025	6,331.89	1,003.56	5,328.33	261,692.98

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	Date	Payment	Interest	Principal	Balance
2025 Totals		75,982.68	13,343.10	62,639.58	
196	07/03/2025	6,331.89	983.53	5,348.36	256,344.62
197	08/03/2025	6,331.89	963.43	5,368.46	250,976.16
198	09/03/2025	6,331.89	943.25	5,388.64	245,587.52
199	10/03/2025	6,331.89	923.00	5,408.89	240,178.63
200	11/03/2025	6,331.89	902.67	5,429.22	234,749.41
201	12/03/2025	6,331.89	882.27	5,449.62	229,299.79
202	01/03/2026	6,331.89	861.79	5,470.10	223,829.69
203	02/03/2026	6,331.89	841.23	5,490.66	218,339.03
204	03/03/2026	6,331.89	820.59	5,511.30	212,827.73
205	04/03/2026	6,331.89	799.88	5,532.01	207,295.72
206	05/03/2026	6,331.89	779.09	5,552.80	201,742.92
207	06/03/2026	6,331.89	758.22	5,573.67	196,169.25
2026 Totals		75,982.68	10,458.95	65,523.73	
208	07/03/2026	6,331.89	737.27	5,594.62	190,574.63
209	08/03/2026	6,331.89	716.24	5,615.65	184,958.98
210	09/03/2026	6,331.89	695.14	5,636.75	179,322.23
211	10/03/2026	6,331.89	673.95	5,657.94	173,664.29
212	11/03/2026	6,331.89	652.69	5,679.20	167,985.09
213	12/03/2026	6,331.89	631.34	5,700.55	162,284.54
214	01/03/2027	6,331.89	609.92	5,721.97	156,562.57
215	02/03/2027	6,331.89	588.41	5,743.48	150,819.09
216	03/03/2027	6,331.89	566.83	5,765.06	145,054.03
217	04/03/2027	6,331.89	545.16	5,786.73	139,267.30
218	05/03/2027	6,331.89	523.41	5,808.48	133,458.82
219	06/03/2027	6,331.89	501.58	5,830.31	127,628.51
2027 Totals		75,982.68	7,441.94	68,540.74	
220	07/03/2027	6,331.89	479.67	5,852.22	121,776.29
221	08/03/2027	6,331.89	457.68	5,874.21	115,902.08
222	09/03/2027	6,331.89	435.60	5,896.29	110,005.79
223	10/03/2027	6,331.89	413.44	5,918.45	104,087.34
224	11/03/2027	6,331.89	391.19	5,940.70	98,146.64
225	12/03/2027	6,331.89	368.87	5,963.02	92,183.62
226	01/03/2028	6,331.89	346.46	5,985.43	86,198.19
227	02/03/2028	6,331.89	323.96	6,007.93	80,190.26
228	03/03/2028	6,331.89	301.38	6,030.51	74,159.75
229	04/03/2028	6,331.89	278.72	6,053.17	68,106.58
230	05/03/2028	6,331.89	255.97	6,075.92	62,030.66
231	06/03/2028	6,331.89	233.13	6,098.76	55,931.90
2028 Totals		75,982.68	4,286.07	71,696.61	
232	07/03/2028	6,331.89	210.21	6,121.68	49,810.22
233	08/03/2028	6,331.89	187.20	6,144.69	43,665.53
234	09/03/2028	6,331.89	164.11	6,167.78	37,497.75
235	10/03/2028	6,331.89	140.93	6,190.96	31,306.79

City of Lewisburg, West Virginia
Series 2009, water revenue bond

	<u>Date</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
236	11/03/2028	6,331.89	117.66	6,214.23	25,092.56
237	12/03/2028	6,331.89	94.31	6,237.58	18,854.98
238	01/03/2029	6,331.89	70.86	6,261.03	12,593.95
239	02/03/2029	6,331.89	47.33	6,284.56	6,309.39
240	03/03/2029	6,331.89	22.50	6,309.39	0.00
2029 Totals		56,987.01	1,055.11	55,931.90	
Grand Totals		1,519,653.60	519,653.60	1,000,000.00	

Governmental Finance

501 Tennessee Avenue
Charleston, WV 25302
(304) 353-1635
Fax (304) 340-4702

May 22, 2009

City of Lewisburg
Water Revenue Bonds, Series 2009 A

City of Lewisburg
Lewisburg, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

The undersigned Russell R. Akers, II, Assistant Vice President of Branch Banking and Trust Company, Charleston, West Virginia (the "Purchaser"), on behalf of the Purchaser in connection with its purchase of \$1,000,000 aggregate principal amount of Water Revenue Bonds, Series 2009 A (the "Bonds"), issued by the City of Lewisburg (the "Issuer") on the date hereof, hereby makes the following representations and warranties to you that:

1. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by our purchase of the Bonds, and our net worth and available assets are such that we are able to bear the economic risk of our purchase of the Bonds.

2. We understand that the entire principal of and interest on the Bonds are payable by the Issuer solely from and secured by a first lien on the Gross Revenues of the System; that the Bonds are special and limited obligations of the Issuer and are not general obligations or secured by any obligation or pledge of any monies received or to be received by the Issuer other than as described above; that the Bonds do not now and shall never constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

There are outstanding bonds of the Issuer which will rank on a parity with the Series 2009 A Bonds as to liens, pledge, source of and security for payment being the Issuer's (i) Water Refunding Bonds, Series 1975, (United States Department of Agriculture), dated December 22, 1976, issued in the aggregate principal amount of \$450,000 (the "Series 1975 Bonds"); and (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the aggregate principal amount of \$2,200,000 (the "Series 1982 A Bonds"), (collectively, the "Prior Bonds").

3. We understand that no official statement, prospectus, offering circular or other offering statement containing material information with respect to the Issuer or the Bonds is being issued,

that the Bonds are unrated, and that in due diligence, we have made our own inquiry and analysis with respect to the Issuer, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds, and are relying solely on such inquiry and analysis in our purchase of the Bonds.

4. We acknowledge that during the course of the transaction and prior to the sale of the Bonds, we have requested or have had access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and we have had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Bonds and the security therefor, so that as a reasonable investor, we have been able to make our decision to purchase the Bonds. No such information requested by us has been denied to us.

5. Because of our experience in financial and business matters, we feel that we are qualified to make the inquiry and analysis described in paragraph 3 and to understand fully the documents and information described in paragraph 4.

6. We understand that the Internal Revenue Code of 1986, as amended (the "Code"), prescribes satisfaction of several requirements in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes, some of which apply after issuance of the Bonds, and that noncompliance by the Issuer with certain of such requirements could cause interest on the Bonds to be includable in gross income for federal income tax purposes and thus, subject to federal income taxation retroactively to the date hereof. We also understand that under the Code, interest on obligations, such as the Bonds, which are not "private activity bonds," are not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations by Section 55 of the Code, but that a provision of the Code which is applicable to corporations (as defined for federal income tax purposes), and which would impose an alternative minimum tax on a portion of the excess of adjusted net book income over pre-book alternative minimum taxable income, could subject part of the interest on the Bonds received by corporations to such corporate alternative minimum tax. Additionally, we understand that for tax years beginning after 1986, interest on the Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code and enacted by the Superfund Revenue Act of 1986, and that for taxable years beginning after 1986, interest on the Bonds earned by certain foreign corporations doing business in the United States could be subject to the branch profits tax imposed by the Code.

7. We understand that the Bonds (a) are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will carry no rating from any rating service, and (d) may be resold only to purchasers who meet the criteria set forth herein and who, as a condition to such purchase, deliver an executed letter substantially in the form hereof to Steptoe & Johnson PLLC, Charleston, West Virginia.

8. We are purchasing the Bonds for investment in our own account and do not intend to divide the Bonds purchased by us nor to resell or otherwise dispose of all or any part of the Bonds purchased by us, except as permitted by law on a basis of full disclosure to any subsequent holder of the Bonds and subject to applicable securities laws and regulations thereunder.

City of Lewisburg, et al.
Page 3

9. We have had the opportunity to consult with and be advised by legal counsel as to the significance of this letter and we have satisfied ourselves that the Bonds are a lawful investment for us under all applicable laws.

Very truly yours,

BRANCH BANKING AND TRUST COMPANY

By: *Russell R. Owen II*
Its: Authorized Officer

05.18.09
522450.00003

RESOLUTION OF THE CITY OF LEWISBURG APPROVING INVOICES RELATING TO CONSTRUCTION AND OTHER SERVICES FOR THE PROPOSED WATER PROJECT AND AUTHORIZING PAYMENT THEREOF,

WHEREAS, the City of Lewisburg, has reviewed the invoices attached hereto and incorporated herein by reference relation to the construction of the Water Project funded by the Branch Banking & Trust Company ("BB&T") and find as follows:

- a) That none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.
- b) That each item for which the payment is proposed to be paid is or was necessary in connection with the Project and constitutes a Cost of the project.
- c) That each of such costs has been otherwise properly incurred.
- d) That the payment for each of the items proposed is due and owing.

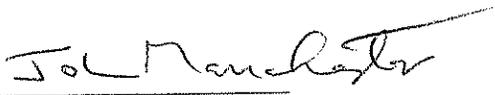
NOW, THEREFOR, BE IT RESOLVED by the City of Lewisburg by as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

Vendor	Total	BB&T
Steptoe & Johnson (Bond Counsel)	20,000.00	20,000.00
BB&T Loan fee	4,250.00	4,250.00
Municipal Bond Commission (Reserves)	75,982.99	75,982.00
Total	100,232.00	100,232.00

WIRING INSTRUCTIONS

Payor: Branch Banking & Trust Company
 Source: Series 2009 A Bonds Proceeds
 Form: Wire
 Payee: City of Lewisburg
 ABA #: 051904524
 Account #: 8005645091
 Bank: City National Bank
 Contact: Barbara Phillips 304.647.1625

ADOPTED BY the City of Lewisburg, at the meeting held on the 12th day of May, 2009

By: 
 Its: Mayor

CITY OF LEWISBURG

Water Revenue Bond,
Series 1975

BOND ORDINANCE

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CITY OF LEWISBURG

ORDINANCE AUTHORIZING THE ISSUANCE OF \$450,000 WATER REVENUE BOND, SERIES 1975, OF THE CITY OF LEWISBURG TO FINANCE THE COSTS OF ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS FOR A WATERWORKS SERVING THE CITY; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BOND; PROVIDING FOR RATES FOR THE SERVICES OF THE WATERWORKS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITIES OF THE HOLDER OF THE BOND; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS
AND DEFINITIONS

Section 1.01. Authority for this Ordinance. This Ordinance is enacted pursuant to the provisions of Article 19, Chapter 8 of the West Virginia Code and other applicable provisions of law.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

(A) The City of Lewisburg (herein called the "City"), in the County of Greenbrier, State of West Virginia, is now served by a municipal waterworks (the "System") owned and operated by the City. The inhabitants of the City and surrounding area served by the System urgently require that the System be improved as herein provided in order that adequate provision may be made for supplying sufficient quantities of potable water to the customers of the System.

(B) It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the said inhabitants, and, accordingly, it is hereby ordered that the City cause to be constructed additions, extensions and improvements for the System, consisting of river intake structure, waste water lagoons, booster station, meter station, and approximately 12,000 feet of water lines,

with all necessary appurtenant facilities (such additions, extensions and improvements being collectively called the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Recorder.

(C) It is necessary for the City to issue its revenue bond in the principal amount of \$450,000 to finance the costs of acquisition and construction of the Project in the manner hereinafter provided.

(D) The estimated maximum cost of the acquisition and construction of the Project is \$450,000, all which will be obtained from the proceeds of sale of the Bond herein authorized.

(E) The costs of such acquisition and construction of the Project shall be deemed to include, without being limited to, the construction and acquisition of the additions, extensions and improvements referred to above; the acquisition of any necessary additional property, real or personal, or interest therein; interest on the 1975 Bond during and for six months after the estimated completion of such construction to the extent that revenues of the System (hereinafter defined) are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the acquisition and construction of the Project and the financing authorized hereby, and payment of outstanding unbonded indebtedness of the System.

(F) The period of usefulness of the System after completion of the Project is not less than forty years.

(G) There are outstanding two series of revenue bonds of the City which will have priority over the Bond hereby authorized as to liens and source of and security for payment, as follows:

Water Works Revenue Bonds, Series of 1964, dated February 1, 1964 (the "1964 Bonds"), now outstanding in the principal amount of \$30,000; and

Waterworks Revenue Bonds, Series 1968, dated August 1, 1968 (the "1968 Bonds"), now outstanding in the principal amount of \$180,000.

The 1964 Bonds and the 1968 Bonds are on a parity as to lien, pledge and source of and security for payment, and the 1975 Bond will be junior and subordinate as to lien, pledge and source of and security for payment, and in all other respects, to the 1964 Bonds and the 1968 Bonds.

Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of the Bond authorized to be issued hereunder by the Holder from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and such Bondholder, and the covenants and agreements herein set forth to be performed by the City shall be for the benefit, protection and security of the legal holder of the Bond.

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

"Act" means Article 19, Chapter 8 of the West Virginia Code.

"Bond" means the \$450,000 Water Revenue Bond, Series 1975, originally authorized to be issued pursuant to this Ordinance; and also includes any additional bonds hereafter issued on a parity with the 1975 Bond within the terms, restrictions and conditions contained in this Ordinance.

"1975 Bond" means the Bond hereby authorized to be issued initially.

"City" means the City of Lewisburg, in Greenbrier County, West Virginia, and where appropriate, also means the Common Council thereof and any other department, board, agency or instrumentality thereof at any time in control of the management and operation of the System.

"Consulting Engineer" means W. D. Kelley, Engineering Consultant, Lewisburg, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the City as Consulting Engineer for the System.

"Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.

"Government" means United States of America, acting by and through the United States Department of Agriculture, Farmers Home Administration.

"Herein" means in this Ordinance.

"Holder of the Bonds" or "Bondholder" or any similar term means any person who shall be the bearer or owner of any outstanding Bond or Bonds.

"Mayor" means the Mayor of the City.

"Net Revenues" means the balance of the gross revenues, as defined below, remaining after deduction only of operating expenses, as defined below.

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the City relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting practices, and all payments not included above required in connection with the 1964 Bonds and the 1968 Bonds.

"Original Purchaser" means the purchaser, directly from the City, of any series of bonds issued pursuant hereto, or any part of any such series.

"Project" shall have the meaning stated above in Section 1.02(B).

"Recorder" means the Recorder of the City.

"Reserve Requirement" means the maximum annual aggregate amount of interest and principal which will fall due on the Bonds outstanding.

"Revenues" or "gross revenues" means all rates, rents, fees, charges or other income received by the City, or accrued to the City, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"System" means the existing waterworks of the City as expanded by the Project, and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks; and shall also include any and all additions, extensions, improvements, properties, or other facilities at any time acquired or constructed for the System after completion of the Project.

Words importing singular number shall include the plural number ~~in each case and vice versa,~~ and words importing persons shall include firms and corporations.

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION,
REGISTRATION AND ISSUE OF BOND

Section 2.01. Authorization of 1975 Bond. Subject and pursuant to the provisions hereof, a Bond of the City to be known as "Water Revenue Bond, Series 1975" is hereby authorized to be issued in the aggregate principal amount of not exceeding Four Hundred Fifty Thousand Dollars (\$450,000) for the purpose of financing the costs of the construction and acquisition of the Project.

Section 2.02. Description of 1975 Bond. The 1975 Bond shall be issued in negotiable form, without coupons, and shall be dated on the date of delivery thereof. The 1975 Bond shall bear interest from date at the rate of five per centum (5%) per annum. The minimum price for the 1975 Bond shall be the par value thereof.

Prepayments of principal of the 1975 Bond may be made at any time without penalty.

The 1975 Bond shall be payable in amounts and at the place or places as provided in the form therefor hereinafter set forth.

Section 2.03. Execution of 1975 Bond. The 1975 Bond shall be executed in the name of the City by the Mayor and the corporate seal of the City shall be affixed thereto and attested by the Recorder. The 1975 Bond may be signed and sealed on behalf of the City by such person as at the actual time of the execution thereof shall hold the proper office in the City, although at the date of such Bond such person may not have held such office or may not have been so authorized.

Section 2.04. Negotiability. The Bond shall be and have all the qualities and incidents of a negotiable instrument under the laws of the State of West Virginia.

Section 2.05. Bond Mutilated, Destroyed, Stolen or Lost. In case the 1975 Bond shall become mutilated or be destroyed, stolen or lost, the City may, in its discretion, issue and deliver a new Bond of like tenor

as the Bond 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 the City proof of his ownership thereof and complying with such other reasonable regulations and conditions as the City may require. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 2.06. Bond Secured by Pledge of Revenues. The payment of the debt service of the 1975 Bond shall be secured forthwith by a lien on the revenues derived from the System. The revenues derived from the System in an amount sufficient to pay the principal of and interest on the Bond, and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Bond as the same becomes due as herein provided.

Section 2.07. Form of 1975 Bond. Subject to the provisions hereof, the text of the 1975 Bond shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted by this Ordinance or any subsequent ordinance or resolution enacted or adopted prior to the issuance thereof:

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of additions for the waterworks of the Borrower, is payable solely from the revenues to be derived from the operation of such waterworks after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the waterworks. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including among others, Article 19 of Chapter 8 of the West Virginia Code (herein called the "Act"), and with an Ordinance of the City duly enacted.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

This Bond is junior and subordinate as to lien, pledge and source of and security for payment, and in all other respects, to the 1964 Bonds and the 1968 Bonds of the City defined in the aforesaid Ordinance.

[CORPORATE SEAL]

CITY OF LEWISBURG

(Name of Borrower)

(Signature of Executive Official)

ATTEST:

Mayor

(Title of Executive Official)

(Signature of Attesting Official)

Recorder

(Title of Attesting Official)

Municipal Building

(Post Office Box No. or Street Address)

Lewisburg, West Virginia 24901

(City, State and Zip Code)

(Form of Bond)
WATER REVENUE BOND
SERIES 1975
CITY OF LEWISBURG

\$450,000

Date: _____

FOR VALUE RECEIVED, the CITY OF LEWISBURG (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (herein called the "Government") at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Four Hundred Fifty Thousand Dollars (\$450,000), plus interest on the unpaid principal balance at the rate of five per cent (5%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Installments of interest only on the first day of each month for the first twenty-four months after the date hereof and \$2,210, covering principal and interest on the first day of each month thereafter, except that the final installment shall be paid at the end of forty (40) years from the date of this Bond, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according

to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

ARTICLE III

1975 BOND PROCEEDS; REVENUES AND
APPLICATION THEREOF

Section 3.01. 1975 Bond Proceeds: Project Construction Account.

All moneys received from the sale of the 1975 Bond and all moneys received under any construction loan shall be deposited on receipt by the City in Greenbrier Valley Bank, Lewisburg, West Virginia, a member of Federal Deposit Insurance Corporation (FDIC), in a special account hereby now established and designated as "City of Lewisburg Waterworks Construction Account" (herein called the "Project Construction Account"). The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the City solely for the purposes provided herein.

Until completion of construction of the Project, the City will pay from the Project Construction Account such sums as shall be from time to time required to pay the interest becoming due on the 1975 Bond.

If the City shall determine at any time that all funds on deposit in the Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the City may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by the United States of America, which shall mature not later than eighteen months after the date of such investment. All such investments and the income therefrom shall be carried to the credit of the Project Construction Account.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be promptly used in accordance with the regulations of the Government.

Section 3.02. Covenants as to Revenues and Funds. So long as the Bond shall be outstanding and unpaid, or until there shall have been set apart in the Sinking Fund and the Reserve Account therein hereinafter established, a sum sufficient to pay the entire principal of the Bond remaining unpaid together with interest accrued thereon, the City further covenants with the holder of the Bond issued pursuant hereto as follows:

(A) Water Fund. The entire gross revenues derived from the operation of the System, and all parts thereof, and all tap fees received, shall be deposited as collected by the City in a special fund known as the "Water Fund" heretofore established or continued for the 1964 Bonds and the 1968 Bonds, and shall be kept with said Bank. The Water Fund shall constitute a trust fund for the purposes provided herein and in the ordinances providing for the 1964 Bonds and the 1968 Bonds, and shall be kept separate and distinct from all other funds of the City and used only for the purposes and in the manner provided herein.

(B) Disposition of Revenues. All revenues at any time on deposit in the Water Fund shall be disposed of only in the following order and priority:

(1) The City shall first, each month, from the moneys in the Water Fund, pay or provide for all payments required in the ordinances authorizing the 1964 Bonds and the 1968 Bonds.

(2) The City shall next, before the end of each month, pay from the Water Fund to the Bondholder, as provided in the 1975 Bond, the installment payment required by the terms of the 1975 Bond.

(3) The City shall next, each month, transfer from the Water Fund and deposit into the Reserve Account hereby established in said Bank, one-twelfth of one-tenth of the maximum annual aggregate amount of interest and principal which will fall due on the Bond until the amount in the Reserve Account equals such maximum annual aggregate amount of interest and principal (such account being called the "Reserve Requirement"). After the Reserve Requirement has been accumulated in the Reserve Account, the City shall monthly pay into the Reserve Account such part of the moneys remaining in the Water Fund, after such provision for payment of maturing

principal of and interest on the Bond, as shall be required to maintain the Reserve Requirement. Moneys in the Reserve Account shall be used solely to make up any deficiency of revenues for payment of the principal of and interest on the 1975 Bond as the same shall mature or for mandatory prepayment of the principal of the 1975 Bond as hereinafter provided and for no other purpose.

(4) The City shall next, each month, transfer from the Water Fund the moneys then remaining in the Water Fund and shall deposit the same in the Depreciation Reserve hereby established with the said Bank until there has been accumulated therein the sum of \$9,000, and thereafter such sums as shall be required to maintain such amount therein. Moneys in the Depreciation Reserve shall be used by the City first to make up any deficiencies for the payment of principal of and interest on the 1975 Bond as the same become due, and next to restore to the Reserve Account any sum or sums transferred therefrom to pay such principal or interest. Thereafter, and provided that payments of installments of the 1975 Bond and into the Reserve Account are current and in accordance with the foregoing provisions, moneys in the Depreciation Reserve may be withdrawn by the City and used for extensions, replacements and improvements of the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund, as the case may be, have been fully complied with, any moneys remaining therein may be used to prepay the principal of the 1975 Bond or for any lawful purpose in connection with the System.

Whenever the moneys in the Reserve Account shall be sufficient to pay or prepay the 1975 Bond, it shall be the mandatory duty of the City, anything to the contrary in this Ordinance notwithstanding, to pay or prepay, at the earliest practical date and in accordance with applicable provisions hereof, the 1975 Bond and accrued interest thereon to such prepayment date.

All the funds provided for in this Section shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used the Bondholder shall have a lien thereon for further securing payment of the Bond and the interest thereon. The moneys in excess of the sum insured by FDIC in the Revenue Fund, the Reserve Account and the Depreciation Reserve shall at all times be secured, to the full extent thereof in excess of such insured sum, in a manner lawful for securing deposits of State and municipal funds under the laws of the State of West Virginia.

If on any payment date the revenues are insufficient to place the required amount in any of the funds or accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to those which would otherwise be required to be made into the funds or accounts on the subsequent payment dates.

The City shall keep the moneys in the Reserve Account and the Depreciation Reserve invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding two years.

(D) The bank in which the funds provided for in this Section are on deposit shall not be the trustee of any of such funds, but merely the depository thereof.

(E) To the full extent necessary, the City shall withdraw moneys monthly from the Depreciation Account established by the 1934 Ordinance described in the ordinance authorizing the 1968 Bonds and shall use such moneys to make the monthly installment payments required for the 1975 Bond, such 1975 Bond being issued to finance extensions and additions to the System and to make good depreciation of the System.

ARTICLE IV
GENERAL COVENANTS

Section 4.01. General Statement. So long as any of the 1975 Bond shall be outstanding and unpaid, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the City and the Bondholder.

Section 4.02. Rates. The City will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide revenues in each fiscal year sufficient to produce net revenues equal to not less than 110% of the average annual debt service on the 1975 Bond and to make the payments required herein to be made for payment of the Bond and the interest thereon and into the Reserve Account and the Depreciation Reserve, and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System may not be sold, mortgaged, leased or otherwise disposed of without the prior written consent of the Government. Such consent will specify the use of the proceeds of any such disposition.

Section 4.04. Covenant Against Encumbrances. The City will not issue any obligations whatsoever payable from the revenues of the System without the prior written consent of the Government.

Section 4.05. Issuance of Additional Parity Bonds. No additional parity Bonds payable out of the revenues of the System, shall be issued after the issuance of the 1975 Bond pursuant hereto, except upon prior written consent of the Government.

Section 4.06. Insurance and Bonds. The City hereby covenants and agrees that so long as the 1975 Bond remains outstanding, it will, as an expense of operation and maintenance of the System, procure, carry and

maintain insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the City will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The City will itself, or will require each contractor and subcontractor to obtain and maintain builder's risk insurance to protect the interests of the City during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$100,000 for one person and \$300,000 for more than one person injured or killed in one accident to protect the City from claims for bodily injury and/or death and not less than \$50,000 from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured at the commencement of construction of the Project.

(c) Vehicular Public Liability Insurance, in the event the City owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the City is operated for the benefit of the City, with limits of not less than \$100,000 for one person and \$300,000 for more than one person injured or killed in one accident to protect the City from claims for bodily injury and/or death, and not less than \$50,000 from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle.

(d) Workmen's Compensation Coverage for all Employees of or for the System Eligible Therefor; and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be

required of each contractor dealing directly with the City and such payment bonds will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(e) Fidelity Bonds will be provided as to every officer and employee of the City having custody of the Water Fund or of any other funds of the System in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of \$10,000 upon the Recorder, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned.

(f) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Government holds the 1975 Bond, the City will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the City and during such construction will require each prime contractor to carry insurance, of such types and in such amounts as the Government may specify, with insurance carriers or bonding companies acceptable to the Government.

Section 4.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of any installment of the principal or interest due on the 1975 Bond on the date specified for the payment thereof;

(B) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the City in the 1975 Bond or herein, or violation of or failure to observe any provision of any pertinent law, provided any such failure or violation, excluding those covered in (A) above in this Section, shall continue for a period of thirty days after written notice shall have been given to the City by the Bondholder specifying such failure or violation and requiring the same to be remedied.

Section 4.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, any Bondholder may proceed to protect and enforce the rights of the Bondholders by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by such Bondholder, such court may, upon proof of such default, appoint a receiver for the affairs of the City and the System. The receiver so appointed shall administer the System on behalf of the City, shall exercise all the rights and powers of the City with respect to the System and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 4.09. Fiscal Year; Budget. While the 1975 Bond is outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a fiscal year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than thirty days prior to the beginning of each fiscal year, the City agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such fiscal year unless unanimously authorized and directed by the Council. Copies of each Annual Budget shall be delivered to the Government by the beginning of each fiscal year.

If for any reason the City shall not have adopted the Annual Budget before the first day of any fiscal year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than ten per centum; and provided further, that adoption of a Budget of Current

Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the City. Each such Budget of Current Expenses shall be delivered and mailed immediately as in the case of the Annual Budget.

Section 4.10. Covenant to Proceed and Complete. The City hereby covenants to proceed as promptly as possible with the construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and on file with the Recorder on the date of enactment hereof, subject to permitted changes.

Section 4.11. Books and Records. The City will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the City in which complete and correct entries shall be made of all transactions relating to the System, and any holder of a Bond or Bonds, his agents and representatives, shall have the right at all reasonable times to inspect the System and all records, accounts and data of the City relating thereto.

The City shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants, shall mail a copy of such audit report to the Government, and shall make available the report of said accountants at all reasonable times to any customer receiving services from the System, or anyone acting for and in behalf of such Bondholder or customer. The Government, so long as it holds the 1975 Bond, may permit substitution of a copy of the annual audit report by the office of the State Tax Commissioner for the copy of annual audit report by a certified public accountant.

Section 4.12. Maintenance of the System. The City covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Bond is outstanding.

Section 4.13. No Competition. The City will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to, or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the City or within the territory served by the System.

Section 4.14. Initial Connections. The Bond will not be issued until there are not less than 1882 bona fide customers connected with the System.

Section 4.15. Arbitrage Covenant. The City shall not permit at any time or times any of the proceeds of the 1975 Bond or any other funds of the City to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause the 1975 Bond to be an "arbitrage bond" as defined in Section 103(d)(2) of the Internal Revenue Code, and the Mayor of the City shall deliver his certificate, based upon this covenant, with regard thereto to the original purchaser of the 1975 Bond directly from the City. It is not reasonably expected that the proceeds of the 1975 Bond will be invested in such a way as to violate the operating rules in the regulations of the Internal Revenue Service or of the Treasury Department of the United States of America in connection with the arbitrage provisions of Section 103(d) of the Internal Revenue Code of 1954, as amended.

ARTICLE V

RATES, ETC.

Section 5.01. Initial Schedule of Rates and Charges; Rules. A.

The initial schedule of rates and charges for the services and facilities of the System shall be as follows:

AVAILABILITY OF SERVICE

Available for all residential, commercial and industrial use.

RATES

Water charges will be based upon quarterly consumption as follows:

<u>Usage</u>	<u>Inside City Per 1,000 Gallons</u>	<u>Outside City Per 1,000 Gallons</u>	<u>Booster Per 1,000 Gallons</u>
First 3,000 gallons	\$ 2.00	\$ 2.50	\$ 3.00
Next 17,000 gallons	1.60	2.00	2.40
Next 30,000 gallons	1.40	1.75	2.10
Next 30,000 gallons	1.20	1.50	1.80
Over 80,000 gallons	0.70	0.87	1.05

MINIMUM CHARGE PER QUARTER

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>	<u>Booster</u>
5/8"	\$ 6.00	\$ 7.50	\$ 9.00
3/4"	8.65	10.80	12.95
1"	15.35	19.20	23.05
1 1/2"	34.55	43.20	51.85
2"	61.45	76.80	92.15
3"	138.25	172.80	207.35
4"	245.75	307.20	368.60

DELAYED PAYMENT PENALTY

On all accounts not paid in full within 10 days of date of bill 10% will be added to the amount shown above, which is net.

CONNECTION CHARGE

The connection fee shall be \$150 for each new customer tapping on to the water system.

CUT OFF CHARGE

A cut off or disconnection charge of \$5 will be made to each customer requesting temporary discontinuance plus \$2.25 for a 5/8" meter not in use, plus \$5 reconnection charge within one year.

MULTIPLE OCCUPANCY

On apartment buildings or other multiple occupancy buildings, each family or business unit shall be required to pay not less than the minimum monthly charge herein established. Motels and hotels shall pay according to the size of the meter installed.

TRAILER COURTS

Trailers served through a master meter shall be billed a minimum of \$6.75 outside the City and a minimum of \$8.10 for booster service areas for each trailer served through the master meter at a trailer court. House trailers not at a trailer park or court shall be billed the same as any other family or business unit.

B. The City will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the City or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other revenues of the System.

C. The City may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

D. No allowance or adjustment in any bill for use of the services and facilities of the System shall be made for any leakage occurring on the customer's side of any water meter.

E. The City shall not be liable to any customer for any damage resulting from bursting or breakage of any line, main, pipe, valve, equipment or part or from discontinuance of the operation of any part of the System or from failure of any part thereof for any cause whatsoever.

F. In case of emergency, the City shall have the right to restrict the use of any part of the System in any reasonable manner for the protection of the System and the inhabitants of the City.

G. The fees, rates and charges above provided will be increased whenever such increase is necessary in order to comply fully with all provisions hereof, and the City shall always be obligated to and shall fix, establish and collect fees, rates and charges for the services and facilities of the System which shall at all times be sufficient to provide net revenues to meet its obligations hereunder, but not less than 110% of the average annual debt service on the 1975 Bond after meeting debt service requirements for the 1964 Bonds and the 1968 Bonds.

H. The City will not accept payment of a water or a sewer bill separately, when the customer concerned owes for both water and sewer services. For non-payment of charges for water or sewer services, or both, the City, after notice of discontinuance in accordance with the applicable Public Service Commission rules and regulations, will shut off water service and lock the meter, and will restore service only upon payment of all water and sewer charges and accrued penalties.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Filing Under Uniform Commercial Code. Contemporaneously with the delivery of the Bond, or sooner, the City shall execute Financing Statements meeting the requirements of the Uniform Commercial Code of West Virginia and promptly thereafter shall file such Financing Statements in the offices of the Secretary of State of the State of West Virginia and of the Clerk of the County Commission of said County.

Section 6.02. Modification or Amendment. No material modification or amendment of this Ordinance, or of any ordinance amendatory hereof or supplemental hereto, may be made without the consent in writing of the Government.

Section 6.03. Award of 1975 Bond. The 1975 Bond is hereby awarded to the Government, unless, prior to delivery of the 1975 Bond the Government requires public sale thereof.

Section 6.04. Severability of Invalid Provision. If any one or more of the covenants, agreements or provisions of this Ordinance should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of all the other provisions hereof or the Bonds or coupons appertaining thereto.

Section 6.05. Conflicting Provisions Repealed. All ordinances, resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided, that this Section shall not affect the ordinances providing for the 1964 Bonds and the 1968 Bonds.

Section 6.06. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 6.07. Effective Time. This Ordinance shall take effect following public hearing hereon in accordance with the Act.

Section 6.08. Statutory Notice and Public Hearing. Upon enactment hereof, an abstract of this Ordinance determined by the Council to contain sufficient information of the contents of this Ordinance, shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in The Greenbrier Independent, a newspaper published and of general circulation in the City, together with a notice stating that this Ordinance has been enacted and that a certified copy of this Ordinance is on file with the Council in the office of the Recorder for review by interested persons during office hours of the Recorder, and that the City contemplates the issuance of the 1975 Bond, and that any person interested may appear before the Council upon a date certain, not less than ten days subsequent to the date of the second publication of the said Ordinance and notice, and present protests. At such hearing, all objections and suggestions shall be heard and the Council shall take such action as it shall deem proper in the premises.

Passed on First Reading

September 16, 1975

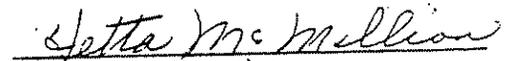
Passed on Second and
Final Reading

October 14, 1975

Effective following public hearing held on the date of
Second and Final Reading stated above.



Mayor



Recorder

WATER REVENUE BOND
SERIES 1975

CITY OF LEWISBURG

\$450,000

Date: _____

FOR VALUE RECEIVED, the CITY OF LEWISBURG (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (herein called the "Government") at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Four Hundred Fifty Thousand Dollars (\$450,000), plus interest on the unpaid principal balance at the rate of five per cent (5%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Installments of interest only on the first day of each month for the first twenty-four months after the date hereof and \$2,210, covering principal and interest on the first day of each month thereafter, except that the final installment shall be paid at the end of forty (40) years from the date of this Bond, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of additions for the waterworks of the Borrower, is payable solely from the revenues to be derived from the operation of such waterworks after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the waterworks. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including among others, Article 19 of Chapter 8 of the West Virginia Code (herein called the "Act"), and with an Ordinance of the City duly enacted.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or

private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

This Bond is junior and subordinate as to lien, pledge and source of and security for payment, and in all other respects, to the 1964 Bonds and the 1968 Bonds of the City defined in the aforesaid Ordinance.

CITY OF LEWISBURG

By _____
Mayor

[CORPORATE SEAL]

Municipal Building
Lewisburg, West Virginia 24901

ATTEST:

Recorder

CITY OF LEWISBURG

Water Revenue Bonds, Series A and B

BOND ORDINANCE

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SIGNATURES

26

09/16/82
LEWIS1-B

THE CITY OF LEWISBURG

ORDINANCE AUTHORIZING THE ISSUANCE OF 2,774,000 WATER REVENUE BONDS, SERIES A AND B, OF THE CITY OF LEWISBURG TO FINANCE ACQUISITION AND CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS FOR ITS EXISTING WATERWORKS SYSTEM; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITIES OF THE HOLDERS OF THE BONDS; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT

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

ARTICLE I

STATUTORY AUTHORITY, FINDINGS
AND DEFINITIONS

Section 1.01. Authority for This Ordinance. This Ordinance is enacted pursuant to the provisions of Article 19, Chapter 8 of the West Virginia Code (the "Act") and other applicable provisions of law. The City of Lewisburg (the "Issuer") is a municipal corporation of the State of West Virginia in Greenbrier County thereof.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

- A. The Issuer now has a public waterworks system.
- B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer and, accordingly, it is hereby ordered, that there be acquired and constructed additions, extensions and improvements to the existing waterworks system of the Issuer consisting of renovation and upgrading of the City's water treatment facilities and construction of additional transmission and distribution lines with all necessary appurtenant facilities (the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Recording Officer of the Common Council (the "Governing Body") of the Issuer. The construction and

acquisition of the Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

C. It is necessary for the Issuer to issue its revenue bonds in the aggregate principal amount of \$2,774,000 to finance a portion of the cost of such construction in the manner hereinafter provided.

D. The estimated maximum cost of the construction of the Project is \$6,774,000 of which \$2,774,000 will be obtained from the proceeds of sale of the Bonds herein authorized and the balance of \$4,000,000 will be obtained from grants as follows:

<u>Grant Source</u>	<u>Amount</u>
Farmers Home Administration ("FmHA")	\$1,300,000
United States Economic Development Administration ("EDA")	1,540,000
United States Development of Housing and Urban Development ("HUD")	525,000
Appalachian Regional Commission ("ARC")	400,000
State of West Virginia (the "State")	<u>235,000</u>
Total	<u>\$4,000,000</u>

E. The cost of such construction shall be deemed to include, without being limited to, the construction or acquisition of the Project, the acquisition of any necessary property, real or personal, or interest therein; interest on the Bonds prior to, during and for six months after completion of such construction to the extent that revenues of the System are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the construction of the Project and the financing authorized hereby.

F. The period of usefulness of the System after completion of the Project is not less than forty years.

G. There are outstanding obligations of the Issuer which will rank senior to or on a parity with the Bonds as to lien and source of and security for payment as follows:

(1) Waterworks Revenue Bonds, Series 1968, dated August 1, 1968, originally issued in the principal amount of \$180,000, bearing interest at the rate of 6% per annum,

the last amortizing payment due February 1, 1996 (the "1968 Bonds"); and

(2) Water Revenue Bond, Series 1975, dated December 22, 1976. originally issued in the principal amount of \$450,000, bearing interest at the rate of 5% per annum, the last amortizing payment to be 40 years from the date thereof (the "1975 Bond").

The Bonds will be junior and subordinate as to lien, pledge and source of and security for payment, and in all other respects to the 1968 Bonds. The Bonds will be on a parity as to lien, pledge and source of and security for payment, and in all other respects to the 1975 Bond.

H. The Issuer has complied with all requirements of West Virginia law relating to authorization of the construction, acquisition and operation of the Project and issuance of the Bonds, or will have so complied prior to issuance of the Bonds including, among other things, the obtaining of a Certificate of Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

Section 1.03. Ordinance to Constitute Contract. In consideration of the acceptance of the Bonds by the Purchaser, this Ordinance (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Bondholder, and the covenants and agreements set forth herein to be performed by the Issuer shall be for the benefit, protection and security of the Purchaser as holder of the Bonds.

Section 1.04. Compliance with Requirements of 1968 and 1975 Ordinances. The issuance of the Bonds junior and subordinate to the 1968 Bonds is permitted under the 1968 Ordinance. The issuance of the Bonds on a parity with the 1975 Ordinance, is permitted with the written consent of the Purchaser. Such consent, in a form meeting all requirements set forth in the 1975 Ordinance, has been obtained by the Issuer.

Section 1.05. Definitions. The following terms shall have the following meanings herein unless the text otherwise expressly requires:

"Act" means Article 19, Chapter 8 of the West Virginia Code.

"Bonds" means the Water Revenue Bonds, Series A and B, authorized hereby to be issued pursuant to this Ordinance.

"1968 Bonds" means the City of Lewisburg Waterworks Revenue Bonds, Series 1968, dated August 1, 1968, issued in the original principal amount of \$180,000.

"1975 Bonds" means the City Lewisburg Water Revenue Bond, Series 1975, dated December 22, 1976, issued in the original principal amount of \$450,000.

"Bond Legislation" means this Bond Ordinance and all ordinances and resolutions supplemental hereto.

"Consulting Engineer" means Deward M. Martin & Associates, Inc., Williamsburg, Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

"Facilities" or "waterworks facilities" means all the tangible properties of the System and also any tangible properties which may hereafter be added to the System by additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

"Fiscal Year" means each year beginning on July 1 and ending on the succeeding June 30.

"Governing Body" means the Common Council of the Issuer.

"Herein" means in this Bond Legislation.

"Holder of the Bond" or "Bondholder" or any similar term means any person who shall be the bearer or owner of the Bonds.

"Issuer" means the City of Lewisburg, in Greenbrier County, West Virginia, and includes the Governing Body.

"Mayor" means the Mayor of the Issuer.

"Net Revenues" means the balance of the gross revenues, as defined below, remaining after deduction only of operating expenses, as defined below.

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be

incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting principles and retention of a sum not to exceed one-sixth of the budgeted operating expenses stated above for the current year as working capital, and language herein requiring payment of operating expenses means also retention of not to exceed such sum as working capital, and all payments not included above required in connection with the 1968 Bonds.

"1968 Ordinance" means the ordinance of the Issuer enacted July 30, 1968, authorizing the issuance of the 1968 Bonds.

"1975 Ordinance" means the ordinance of the Issuer enacted October 14, 1975, authorizing the issuance of the 1975 Bond.

"Project" shall have the meaning stated in Section 1.02(B) above.

"Purchaser" means United States Department of Agriculture, Farmers Home Administration and any successor thereof.

"Recording Officer" means the Recorder of the Issuer.

"Revenues" or "gross revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"System" means the complete waterworks system of the Issuer as expanded by the Project and all waterworks facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks system; and shall also include any and all additions, extensions, improvements, properties or other facilities at any time acquired or constructed for the waterworks system after completion of the Project.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION,
REGISTRATION AND ISSUE OF BONDS

Section 2.01. Authorization of Bonds. Subject and pursuant to the provisions of this Ordinance, the Bonds of the Issuer, to be known as "Water Revenue Bonds, Series A and B," are hereby authorized to be issued in the aggregate principal amount of not exceeding Two Million Seven Hundred Seventy-Four Thousand Dollars (\$2,774,000) for the purpose of financing a portion of the cost of the construction and acquisition of the Project.

Section 2.02. Description of Bonds. The Bonds shall be issued in single form and shall be dated on the date of delivery. ~~The Series A Bond shall be in the amount of \$2,200,000 and shall~~ bear interest from date, payable monthly at the rate of five per centum (5%) per annum, and shall be sold for the par value thereof. The Series B Bond shall be in the amount of \$574,000, and shall bear interest from date, payable monthly at the rate of eleven and six hundred twenty-five/one thousandths per centum (11.625%) per annum, and shall be sold at the par value thereof.

The Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the Bond form hereinafter set forth.

The Bonds shall be and have all the qualities and incidents of negotiable instrument under the laws of the State of West Virginia.

Section 2.03. Execution of Bonds. The Bonds shall be executed in the name of the Issuer by its Mayor and its corporate seal shall be affixed thereto and attested by its Recording Officer.

Section 2.04. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Bond so surrendered shall be canceled and held for the account of the Issuer. If the Bond shall have matured or be about to mature, instead of issuing a substitute

Bond the Issuer may pay the same, and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 2.05. Bonds Secured by Pledge of Revenues. The payment of the debt service of the Bonds shall be secured forthwith by a first lien on the Net Revenues derived from the System in addition to the statutory mortgage lien on the System hereinafter provided for, but both such liens shall be junior and subordinate to the liens in favor of the holders of the 1968 Bonds and on a parity with the liens in favor of the holder of the 1975 Bond. The net revenues derived from the System in an amount sufficient to pay the principal of and interest on the Bonds, and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due, but on a parity with the pledges in favor of the holder of 1975 Bond and junior and subordinate to the pledges in favor of the holders of the 1968 Bonds.

Section 2.06. Form of Bond. Subject to the provisions hereof, the text of the Bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or by any Ordinance adopted after the date of adoption hereof and prior to the issuance thereof:

(Form of Bond)

WATER REVENUE BOND, SERIES _____

CITY OF LEWISBURG

Date: _____

FOR VALUE RECEIVED, the CITY OF LEWISBURG (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (the "Government"), at its National Finance Office, St. Louis, Missouri, 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of _____ (\$ _____) plus interest on the unpaid principal balance at the rate of _____ percent (____%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing on the 30th day following delivery of the Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof and \$ _____, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of forty (40) years from the date of this Bond, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the

obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of additions, extensions and improvements to the existing waterworks system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the Borrower

within the meaning of any constitutional or statutory provision or limitation.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Article 19 of Chapter 8 of the West Virginia Code and with an Ordinance of the Borrower duly enacted.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

~~This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.~~

(Form of)
RECORD OF ADVANCES

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

(Form of)
ASSIGNMENT

Pay to the Order of _____

UNITED STATES OF AMERICA
FARMERS HOME ADMINISTRATION

By _____

(Title)

ARTICLE III

BOND PROCEEDS; REVENUES AND APPLICATION THEREOF

Section 3.01. Bond Proceeds; Project Construction Account. The proceeds of sale of the Bonds, shall be deposited on receipt by the Issuer in Greenbrier Valley Bank, Lewisburg, West Virginia, a member of Federal Deposit Insurance Corporation ("FDIC"), in a special account hereby created and designated as "City of Lewisburg Project Construction Account" (herein called the "Project Construction Account"). The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Until completion of construction of the Project, the Issuer will transfer from the Project Construction Account and pay to the Purchaser on or before the due date thereof, such sums as shall be from time to time required to make the monthly installments on the Bonds if there are not sufficient Net Revenues to make such monthly payment.

If the Issuer shall determine at any time that all funds on deposit in the Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the Issuer may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America ("Federal Obligations"), which shall mature not later than eighteen months after the date of such investment, or in certificates of deposit or other securities or investments secured by a pledge of Federal Obligations. All such investments and the income therefrom shall be carried to the credit of the Project Construction Account.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 3.02. Covenants of the Issuer as to Revenues and Funds. So long as the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Reserve Fund hereinafter established, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the

Bonds remaining unpaid, together with interest accrued and to accrue thereon, the Issuer further covenants with the holder of the Bonds as follows:

A. REVENUE FUND. The entire gross revenues derived from the operation of the System, and all parts thereof, and all tap fees received, shall be deposited as collected by the Issuer in a special fund in a bank or trust company in the State of West Virginia which is a member of FDIC, which Fund, now designated "Revenue Fund" was known as the "Water Fund" and was established or continued by the 1968 and 1975 Ordinances and is now with Greenbrier Valley Bank, Lewisburg, West Virginia. The Revenue Fund shall constitute a trust fund for the purposes provided herein and in the 1968 and 1975 Ordinances and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner provided herein.

B. DISPOSITION OF REVENUES. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall first each month pay from the moneys in the Revenue Fund all payments required by the 1968 Ordinance.

(2) The Issuer shall next, on or before the due date thereof, transfer from the Revenue Fund and pay to the National Finance Office designated in the Bonds the amount required to pay the interest on the Bonds and the Series 1975 Bond, and to amortize the principal of the Bonds and the Series 1975 Bond over the life of the respective issues.

(3) The Issuer shall next, by the fifteenth day of each month, transfer from the Revenue Fund and deposit with the said Bank in the Reserve Account established by the 1975 Ordinance and now with said Bank, one-twelfth of one-tenth of the maximum annual aggregate amount of interest and principal which will fall due on the Bonds and the 1975 Bond until the amount in the Reserve Account equals such maximum annual aggregate amount of interest and principal (such sum being herein called the "Reserve Requirement"). After the Reserve Requirement has been accumulated in the Reserve Account, the Issuer shall monthly deposit into the Reserve Account such part of the moneys remaining in the Revenue Fund, after such provision for payment of monthly installments on the Bonds and the 1975 Bond, and for payment of operating expenses of the System, as shall be required to maintain the Reserve

Requirement in the Reserve Account. Moneys in the Reserve Account shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the Bonds and the 1975 Bond as the same shall become due or for prepayment of installments or for mandatory prepayment of the Bonds and the 1975 Bond, as hereinafter provided, and for no other purpose.

(4) The Issuer shall next, by the fifteenth day of each month, transfer from the Revenue Fund and deposit in the Depreciation Reserve established by the 1975 Ordinance and now with said Bank, the sum of \$1,875, until there has been accumulated the aggregate sum of \$225,000, and thereafter such sums as shall be required to maintain such amount therein. Moneys in the Depreciation Reserve shall be used first to make up any deficiencies for monthly payments of principal of and interest on the Bonds and the 1975 Bond as the same become due, and next to restore to the Reserve Account any sum or sums transferred therefrom. Thereafter, and provided that payments into the Reserve Account are current and in accordance with the foregoing provisions, moneys in the Depreciation Reserve may be withdrawn by the Issuer and used for extraordinary repairs and for replacements of equipment and improvements for the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Revenue Fund have been fully complied with, any moneys remaining therein and not permitted to be retained therein may be used to prepay installments of the Bonds and the 1975 Bond or for any lawful purpose.

Whenever the moneys in the Reserve Fund shall be sufficient to prepay the Bonds and the 1975 Bond in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Bonds at the earliest practical date and in accordance with applicable provisions hereof.

The aforesaid Bank (and any successor appointed by the Issuer) is hereby designated as the Fiscal Agent for the administration of the Revenue Fund, the Reserve Account and the Depreciation Reserve as herein provided, and all amounts required therefor will be deposited therein by the Issuer upon transfers of funds from the Revenue Fund at the times provided herein, together with written advice stating the amount remitted for deposit into each such Fund.

All the funds provided for in this Section shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser shall have a lien thereon for further securing payment of the Bonds and the 1975 Bond and the interest thereon, but the aforesaid Bank shall not be a trustee as to such funds. The moneys in excess of the sum insured by FDIC in any of such funds shall at all times be secured, to the full extent thereof in excess of such insured sum, in a manner lawful for securing deposits of State and municipal funds under the laws of the State of West Virginia.

If on any payment date the revenues are insufficient to make the payments and transfers as hereinabove provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates.

The Fiscal Agent shall keep the moneys in the Reserve Account and the Depreciation Reserve invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding two years. Earnings upon moneys in the Reserve Account, so long as the Reserve Requirement is on deposit and maintained therein, shall be paid annually in July into the Revenue Fund by the Fiscal Agent.

C. CHANGE OF FISCAL AGENT. The Issuer may designate another bank insured by FDIC as Fiscal Agent if the aforesaid Bank should cease for any reason to serve or if the Governing Body determines by Ordinance that said Bank or its successor should no longer serve as Fiscal Agent. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser.

D. USER CONTRACTS. The Issuer shall, prior to delivery of the Bond, certify to the Purchaser that not less than 2,492 bona fide full time users will be served by the System when the Project is completed and placed in operation. In addition, the Issuer shall, prior to delivery of the Bond, certify to the Purchaser there are not less than 2,303 existing users of the System.

E. To the full extent necessary, the Issuer shall withdraw moneys monthly from the Depreciation Account described in the ordinance authorizing the 1968 Bonds and shall use such moneys to make the monthly installment payments required for the Bonds and the 1975 Bond, such Bonds and the 1975 Bond being issued to finance extensions and additions to the System and to make good depreciation of the System.

ARTICLE IV

GENERAL COVENANTS

Section 4.01. General Statement. So long as the Bonds and the 1975 Bond shall be outstanding and unpaid, or until there shall have been set apart in the Reserve Account a sum sufficient to prepay the entire principal of the Bonds and the 1975 Bond remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Purchaser.

Section 4.02. Rates. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide revenues in each fiscal year sufficient to produce net revenues equal to not less than 110% of the annual debt service on the Bonds and the 1975 Bonds and to make the payments required herein into the Reserve Account and the Depreciation Reserve and all the necessary expenses of operating and maintaining the System during such fiscal year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System will not be sold without the prior written consent of the Purchaser so long as any of the Bonds and the 1975 Bond are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 4.04. Issuance of Additional Parity Bonds. No additional parity bonds payable out of the revenues of the System shall be issued after the issuance of the Bonds pursuant hereto except with the prior written consent of the Purchaser.

Section 4.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Bonds and the 1975 Bond remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System in an

amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and ~~not less than \$200,000 to~~ protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the Bonds.

(c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) Workmen's Compensation Coverage for all Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39.

(e) Fidelity Bonds will be provided as to every member of the Governing Body and as to every officer and employee thereof having custody of the Revenue Fund or of any revenues or other funds of the Issuer in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of \$10,000 upon the treasurer, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned so long as checks thereon require the signature of a representative of the Purchaser.

(f) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or bonding companies acceptable to the Purchaser.

Section 4.06. Statutory Mortgage. For the further protection of the holder of the Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect as to the Bonds immediately upon the delivery of the Bonds, junior and subordinate to the 1968 Bonds and on a parity with the 1975 Bond.

Section 4.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of any monthly amortization installment upon the Bonds, the 1968 Bond or the 1975 Bond at the date specified for payment thereof;

(B) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the Bonds, the 1968 Bond, the 1975 Bond, or herein, or violation of or failure to observe any provision of any pertinent law.

Section 4.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Purchaser may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by the Purchaser, such court may, upon proof of such default appoint a receiver for the affairs of the Issuer and the System. The receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers of the Issuer with respect to the System, shall proceed under the direction of the court to obtain authorization to increase rates and charges of the System, and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 4.09. Fiscal Year; Budget. While the Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a fiscal year basis commencing on July 1 of each year and ending on the following June 30, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than thirty days prior to the beginning of each fiscal year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such fiscal year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser by the beginning of each fiscal year.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any fiscal year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the next year preceding by more than ten per centum; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser.

Section 4.10. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and

on file with the Recording Officer on the date of adoption hereof, subject to permitted changes.

Section 4.11. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser.

Section 4.12. Maintenance of System. The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Bonds are outstanding.

Section 4.13. No Competition. The Issuer will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Issuer or within the territory served by the System.

Section 4.14. Concerning Arbitrage. The proceeds of sale of the Bonds will not be invested in such a way as to violate the regulations of the Internal Revenue Service or of the Treasury Department of the United States of America in connection with the arbitrage provisions of Section 103(c) of the Internal Revenue Code of 1954, as amended.

ARTICLE V
RATES, ETC.

Section 5.01. Initial Schedule of Rates and Charges;
Rules. A. The initial schedule of rates and charges for the services and facilities of the System shall be as follows:

AVAILABILITY OF SERVICE

Available for all general domestic, commercial and industrial use.

RATES

Water charges will be based upon monthly consumption as follows:

<u>Usage</u>	<u>Inside City Per 1,000 Gallons</u>	<u>Outside City Per 1,000 Gallons</u>	<u>Booster Per 1,000 Gallons</u>
First 3,000 gallons	\$3.90	\$4.88	\$5.85
Next 17,000 gallons	2.99	3.75	4.49
Next 30,000 gallons	2.62	3.28	3.94
Next 30,000 gallons	2.25	2.81	3.38
Over 80,000 gallons	1.88	2.34	2.82

MINIMUM CHARGE PER QUARTER

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>	<u>Booster</u>
1 1/2"			
5/8"	\$ 3.50	\$ 4.20	\$ 5.25
3/4"	4.68	5.63	6.74
1"	8.32	10.73	11.98
1 1/2"	18.72	22.53	26.73
2"	33.28	39.93	47.92
3"	74.88	89.85	107.82
4"	133.12	159.73	191.67

DELAYED PAYMENT PENALTY

On all accounts not paid in full within 20 days of date of bill, 10% will be added to the amount shown above, which is net.

CONNECTION CHARGE

The connection fee shall be \$150 for each new customer tapping on to the water system.

CUT OFF CHARGE

A cut off or disconnection charge of \$10 will be made to each customer requesting temporary discontinuance plus \$1 per month for each meter not in use.

DISCONNECTION FOR NON-PAYMENT OR OTHER CONDITIONS

The water department may disconnect service to any customer for non-payment of his bill, but it first must make a diligent effort to induce the customer to pay his bill. No discontinuance shall be effected until after at least twenty-four (24) hours written notice has been given to the customer from the water department that his bills are five (5) or more days delinquent. No notice need be given when fraudulent use of water is detected, where the water department's measuring equipment has been tampered with, or where a dangerous condition is found to exist on the customer's premises. Discontinuances will not be made on Friday, Saturday, Sunday, on a day prior to a holiday, or if an emergency exists.

A ten dollar (\$10) reconnection fee will be imposed on each such customer at the time service is restored.

RULES AND REGULATIONS

The City of Lewisburg adheres to the Rules and Regulations for the Government of Water Utilities as promulgated by the West Virginia Public Service Commission. Any situation not specifically addressed herein will be guided by those rules and regulations.

B. All delinquent fees, rates and charges for services or facilities of the System shall be liens on the premises served of equal degree, rank and priority with the lien on such premises of state, county, school and municipal taxes, as provided in the Act. When such fees, rates and charges have been delinquent for thirty days, the Issuer shall have power pursuant to the Act forthwith to foreclose the lien on the premises served in the same manner provided by the laws of the State of West Virginia for the foreclosure of mortgages on real property.

C. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Issuer or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other revenues of the System.

D. The Issuer may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

E. The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without payment at the same time of a sewer bill owed by such customer for the same premises.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Modification or Amendment. The Bond Legislation may not be modified or amended after final passage without the prior written consent of the Purchaser.

Section 6.02. Delivery of Bond No. 1. The Mayor and Recording Secretary are hereby authorized and directed to cause the Bonds, Series A and B, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 6.03. Defeasance. This Ordinance and the covenants herein may be defeased only upon prior written consent of the Purchaser or by payment in full of the Bonds, acceptance of such payment by the Purchaser and cancellation of the Bonds.

Section 6.04. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Bonds.

Section 6.05. 1975 Ordinance; Conflicting Provisions Repealed. The 1975 Ordinance and all parts thereof not expressly hereby changed shall continue in full force and effect, and this Ordinance shall be supplemental to the 1975 Ordinance. All provisions of the 1975 Ordinance changed hereby shall be null and void.

Section 6.06. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 6.07. Effective Time. This Bond Legislation shall take effect following public hearing and final reading in accordance with the Act.

Section 6.08. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Bond Legislation determined by

the Governing Body to contain sufficient information as to give notice of the contents hereof shall be published once a week for two successive weeks within a period of fourteen consecutive days, with at least six full days intervening between each publication, in The West Virginia Daily News, a qualified newspaper published in the City of Lewisburg, together with a notice stating that this Bond Legislation has been adopted and that the Issuer contemplates the issuance of the Bonds, and that any person interested may appear before the Common Council upon a date certain, not less than ten days subsequent to the date of the first publication of this Bond Legislation and notice, and present protests. At such hearing, all objections and suggestions shall be heard and the Governing Body shall take such action as it shall deem proper in the premises.

Passed on First Reading _____
Passed on Second and
Final Reading Follow-
ing Public Hearing _____

Mayor

Recorder

09/28/82
LEWIS1-G



**United States Department of Agriculture
Rural Development
West Virginia State Office**

May 22, 2009

**City of Lewisburg
Water Revenue Bonds, Series 2009 A
(West Virginia Water Development Authority)**

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative of the United States of America, acting through the Rural Utilities Service, United States Department of Agriculture, the present holder of the Prior Bonds, hereinafter defined and described, hereby (a) consents to the issuance of the Water Revenue Bonds, Series 2009 A (West Virginia Water Development Authority), in the original aggregate principal amount not to exceed \$1,000,000 (the "Series 2009 A Bonds"), by the City of Lewisburg (the "Issuer"), under the terms of the bond ordinance authorizing the issuance of the Bonds (the "Ordinance"), on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's outstanding Water Revenue Bonds, Series 1975, dated December 22, 1976, issued in the original aggregate principal amount of \$450,000 (the "Series 1975 Bonds") and Water Revenue Bonds, Series 1982 A, dated October 5, 1982, issued in the original aggregate principal amount of \$2,200,000 (the "Series 1982 A Bonds"), (collectively, the "Prior Bonds"); (b) waives any requirements imposed by the Prior Bonds or the ordinance authorizing the Prior Bonds (the "Prior Ordinance"), regarding the issuance of parity bonds which are not met by the Bonds or the Ordinance; and (c) consents to any amendments made to the Prior Ordinances by the Ordinance.

WITNESSETH my signature on this 22nd day of May, 2009.

Dianne Hoff Cuyler
Acting State Director

75 High Street Federal Building • Suite 320 • Morgantown, WV 26505-7500
Phone: 304.284.4860 • 1.800.295.8228 • Fax: 304.284.4893 • TTY/TDD: 304.284.4836 • Web: <http://www.rurdev.usda.gov/wv>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."

To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

CLOSING MEMORANDUM

To: Financing Team
From: John C. Stump, Esquire
Date: May 22, 2009
Re: City of Lewisburg
Water Revenue Bonds, Series 2009 A

Branch Banking & Trust	\$4,250
Bank fee	
<hr/>	
Steptoe & Johnson PLLC	\$20,000
Bond Counsel	
WV Municipal Bond Commission	\$75,982
Fully Funding Reserve Account	
TOTAL	\$100,232

02.20.09
522450.00003

Form 8038-G

Information Return for Tax-Exempt Governmental Obligations

OMB No. 1545-0720

(Rev. November 2000)

Under Internal Revenue Code section 149(e)

See separate instructions.

Department of the Treasury Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.

If Amended Return, check here

Part I Reporting Authority

Form with fields for Issuer's name (City of Lewisburg), Issuer's employer identification number (55-6000198), Report number (3-09-01), Date of issue (May 22, 2009), Name of issue (Water Revenue Bonds, Series 2009 A), and Telephone number of officer or legal representative ((304) 645.2080).

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

Form with checkboxes for Education, Health and hospital, Transportation, Public safety, Environment (checked), Housing, Utilities, and Other. Includes issue price field for Environment (1,000,000).

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

Table with 5 columns: (a) Final maturity date (May 22, 2029), (b) Issue price (\$1,000,000), (c) Stated redemption price at maturity (\$1,000,000), (d) Weighted average maturity (11.57338 years), (e) Yield (4.51%).

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

Table with 2 columns: Description of use and Amount. Includes rows for accrued interest, bond issuance costs (24,250), and total add lines (24,250).

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

Form with fields for remaining weighted average maturity of bonds to be currently refunded and bonds to be advance refunded.

Part VI Miscellaneous

Form with fields for state volume cap, guaranteed investment contract, pooled financings, and issuer designations.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

Signature of issuer's authorized representative: John Manchester, Date: 5/22/09

Type or print name and title: John Manchester, Mayor

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 18th day of May, 2009.

CASE NO. 09-0099-W-CN

CITY OF LEWISBURG

a municipal utility, Greenbrier County.

Application for a certificate of convenience and necessity to construct a twelve inch waterline from the high pressure area of the City of Lewisburg's existing water system to a connection point with the Town of Ronceverte that will provide safe, adequate and continuous water service to the Town of Ronceverte.

COMMISSION ORDER

The Commission approves the application and associated financing, but requires action to reduce unaccounted for water ("UFW").

BACKGROUND

On February 5, 2009, the City of Lewisburg ("Lewisburg") applied for a certificate of convenience and necessity ("Certificate") to construct a twelve-inch waterline to connect the Lewisburg system with the Town of Ronceverte ("Ronceverte"). Lewisburg proposes to provide Ronceverte with potable water service under an agreement approved by the Commission between the Lewisburg Municipal Water Department and Ronceverte requiring the proposed construction. Ronceverte will become a resale customer of Lewisburg. Lewisburg initially planned to finance the project with a \$929,000 loan from the West Virginia Water Development Authority. Lewisburg does not anticipate any change in water rates. Lewisburg also requested that the Commission waive the filing of a Rule 42 financial exhibit because the project will not increase current rates. Lewisburg attached a copy of a permit from the Office of Environmental Health Services ("OEHS") to its application. See, Application and Case No. 06-0035-W-PC (Recommended Decision Entered April 23, 2007, Final May 13, 2007).

The Commission directed Lewisburg to publish a Notice of Filing to inform the public of its Certificate application and established a protest period. See, February 5, 2009 Commission Order.

On February 19, 2009, Lewisburg informed the Commission that it intended to seek

proposals from private financial institutions for alternative financing and requested that the Commission amend the Notice of Filing to reflect its intent. See, letter.

On March 6, 2009, the Commission directed Lewisburg to publish an Amended Notice of Filing in Greenbrier County reflecting the changes noted in the February 19, 2009 letter. The notice advised the public of the filing and a thirty-day protest period. See, Commission Order.

Commission Staff ("Staff") filed an initial memorandum requesting that Lewisburg provide certain engineering information including (1) a complete project description, (2) operation and maintenance expense calculations and (3) an itemized cost estimate. See, March 12, 2009 Staff Memorandum.

Lewisburg filed an affidavit of publication from the West Virginia Daily News, on March 19, 2009, attesting to proper public notice of the application. See, Affidavit of Publication. No one filed a protest to the project. See, case file generally.

On April 24, 2009, Lewisburg filed information Staff requested in its initial memorandum and requested leave to expand the project because bids came in under estimate. Lewisburg proposed to add several construction items including (1) painting a water tank, (2) installation of a redundant pump and associated piping to serve Ronceverte and (3) installation of metering equipment at the interconnection with the Ronceverte system. Lewisburg also attached a bid tabulation and a revised funding commitment letter. The funding commitment letter offers up to \$1,000,000 in project financing for twenty years at an interest rate of 4.51%. The funding offer originally expired on May 8, 2009, but BB&T extended its financing offer to May 31, 2009. See, May 7, 2009 Lewisburg letter.

Staff subsequently filed a Final Joint Staff Memorandum recommending that the Commission approve the project and the proposed funding of up to \$1,000,000 for a term of at least twenty years at an interest rate of 4.51%. Staff believes that the project is feasible at current rates, but recommended revisions for the next rate ordinance Lewisburg passes. Staff noted that adding Ronceverte to the Lewisburg system will require that the Lewisburg treatment plant operate nearly twenty-four hours per day, but that planned leak detection will reduce the 41% UFW and therefore the amount of time that the plant must operate. Staff also recommended that the Commission waive the filing of a Rule 42 financial exhibit. Finally, Staff recommended requiring a reopening of this case for any scope change or a cost change affecting rates, filing of a certified bid tabulation and requiring the filing of a certificate of substantial completion once Lewisburg completes the project. See, May 8, 2009 Staff Memorandum.

Lewisburg subsequently filed a certified bid tabulation and a letter stating that it supports the recommendations within the final Staff memorandum. Lewisburg also informed the Commission that it has retained assistance to evaluate its water plant. See, May 8, 2009 and May 12, 2009 Letters.

DISCUSSION

The Commission finds that it is reasonable to adopt the Staff recommendation to approve the project. The project will provide an improved drinking water supply to Ronceverte and allow Ronceverte to decommission its treatment plant without an increase in rates. Therefore, the Commission finds that the project is necessary and convenient and will issue a Certificate. The Commission should waive hearing in this matter because no one has voiced opposition to the project. See, W. Va. Code §24-2-11. The Commission will also approve the revised project funding and waive the requirement for filing a Rule 42 financial exhibit because the Commission approved the tariff rates in other cases.

The Commission, however, notes its concern about the current and projected amount of time that the Lewisburg water treatment plant must run in order to provide the additional water required for this project. In order to avoid a possible moratorium, the Commission will require that Lewisburg file a report on its progress to reduce the amount of unaccounted for UFW within 180 days of this Order as a closed entry in this matter. Staff is also directed to monitor the UFW investigation. In the event that Lewisburg fails to reduce UFW, the Commission may prohibit Ronceverte from retiring its water plant.

FINDINGS OF FACT

1. Lewisburg applied for a Certificate to construct a twelve inch waterline to supply water to Ronceverte and make other associated changes. See, Application and April 24, 2009 letter.
2. Lewisburg plans to fund the project with up to \$1,000,000 of loan funding from BB&T for a term of 20 years at an interest rate of 4.51%. Id.
3. The application does not involve a rate change. Id.
4. The Commission previously approved an agreement allowing Lewisburg to accept Ronceverte as a resale customer. See, Application and Case No. 06-0035-W-PC (Recommended Decision Entered April 23, 2007, Final May 13, 2007).
5. The Applicants published the Amended Notice of this matter once in a qualified newspaper in Greenbrier County advising the public of the filing and a thirty-day protest period. See, March 19, 2009 Affidavit of Publication.
6. No one has protested the proposed project. See, Case file generally.
7. Staff recommended that the Commission approve the project and proposed funding. Staff also recommended that the Commission waive the filing of a Rule 42 financial exhibit. Finally, Staff suggested requiring a reopening of this case for any scope change or cost change affecting rates and requiring the filing of a certificate of substantial completion on project completion. See, May 8, 2009 Staff Memorandum.

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project as described in the application and April 24, 2009 letter. See, W.Va. Code §24-2-11.
2. The revised financing for the project is reasonable and should be approved.
3. If the scope, plans or financing for the project change, Lewisburg must obtain prior Commission approval before commencing construction. Changes in project costs do not require separate approval if those changes do not affect rates and Lewisburg submits an affidavit from a certified public accountant attesting to that effect.
4. A Rule 42 financial exhibit or hearing on this matter are unnecessary and should be waived. Id.
5. Lewisburg should address its level of UFW and file an update on its progress.

ORDER

IT IS THEREFORE ORDERED that the February 5, 2009, application for a Certificate to construct a twelve inch line to connect the Lewisburg water system with the Ronceverte system is approved. The project additions contained in the April 24, 2009 letter are also approved.

IT IS FURTHER ORDERED that the proposed financing for the project including a loan of up to \$1,000,000 from BB&T or a similar financial institution for a term of at least twenty years at an interest rate no more than 4.51% is approved.

IT IS FURTHER ORDERED that if the scope, plans or financing for the project change, Lewisburg must obtain prior Commission approval before commencing construction. Changes in project cost do not require separate approval if those changes do not affect rates, but Lewisburg must submit an affidavit from a certified public accountant attesting to that effect.

IT IS FURTHER ORDERED that hearing in this matter is waived.

IT IS FURTHER ORDERED that the request to waive filing of a Rule 42 financial exhibit is granted.

IT IS FURTHER ORDERED that Lewisburg notify the Commission in writing when the project engineer has performed the substantial completion inspection.

IT IS FURTHER ORDERED that if the project requires the use of Division of Highways easements, Lewisburg shall comply with all rules and regulations of the Division of Highways regarding the use of those easements.

IT IS FURTHER ORDERED that Lewisburg shall actively work to reduce UFW and file a report within 180 days of the entry of this Order as a closed entry to this case reporting its progress.

IT IS FURTHER ORDERED that on entry of this Order, this case shall be removed from the docket of open cases.

IT IS FURTHER ORDERED that, the Commission Executive Secretary serve a copy of this Order on all parties by United States First Class Mail and on Staff by hand delivery.

A True Copy, Teste:


Sandra Squire
Executive Secretary

MJM/sek
090099ca.wpd

The West Virginia Daily News

PO Box 471

Lewisburg, WV 24901

PHONE: (304) 645-1206

09-0099-W-CN ✓

AFFIDAVIT OF PUBLICATION

STATE OF WEST VIRGINIA
COUNTY OF GREENBRIER,
TO WIT:

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

CASE NO. 09-0099-W-CN

CITY OF LEWISBURG

a municipal utility, Greenbrier County

Application for a certificate of convenience and necessity to construct a twelve inch waterline from the high pressure area of the City of Lewisburg's existing water system to a connection point with the Town of Ronceverte that will provide safe, adequate and continuous water service to the Town of Ronceverte.

AMENDED NOTICE OF FILING

On February 5, 2009, the City of Lewisburg ("Lewisburg") applied for a certificate of convenience and necessity to construct certain additions and improvements to its system in Greenbrier County. Specifically, Lewisburg plans to provide the Town of Ronceverte with potable water service under an agreement dated March 22, 2007, requiring the construction of a twelve inch waterline from the high pressure areas of the City of Lewisburg's existing water system to a connection point with the Town of Ronceverte. The Town of Ronceverte will be a resale customer of Lewisburg.

The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, in Charleston, West Virginia.

I, Louise Bassett,
one of the editors of The West Virginia Daily News, a daily newspaper of general circulation published at Lewisburg, West Virginia, in the County of Greenbrier, State of West Virginia, do certify that publication of the advertisement or advertisements attached hereto was made in one (1) issues of said newspaper, dated

18 Mar. 2009

Given under my hand this 18th day
of March, 2009

Louise Bassett

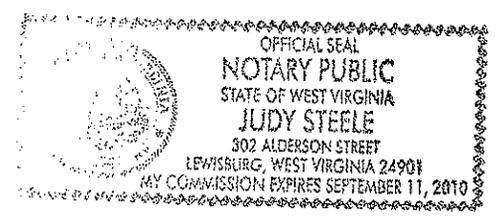
Editor or Publisher

Subscribed and sworn to before me this 18th day of March, 2009.

My commission expires Sept 11 2010

Judy Steele, Notary Public

Publication Fee: \$ 53.35



Lewisburg estimates that construction will cost approximately \$1,000,000. It proposes to finance the construction by a loan from either a private financial institution or a government agency in the amount of \$1,000,000 for a term of not more than 40 years at an interest rate of not more than 5%.

Lewisburg does not anticipate any change in water rates, but the requested rates and charges are subject to change (increases or decreases) by the Public Service Commission in its review of this filing.

Anyone desiring to protest or intervene should file a written protest or notice of intervention within thirty days following the date of this publication unless otherwise modified by commission order. Failure to timely protest or intervene can affect your right to protest any associated rate changes, or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or intervention. Requests to intervene must comply with the rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323. If no protests are received within the thirty day period, the commission may waive formal hearing and grant the application based on the evidence submitted and its review.

City of Lewisburg

(18mr)

RECEIVED
MAY 10 1971
PUBLIC SERVICE COMMISSION
CHARLESTON, WEST VIRGINIA

Public Service Commission
Of West Virginia

201 Brooks Street, P. O. Box 812
Charleston, West Virginia 25323



Phone: (304) 340-0300
FAX: (304) 340-0325

May 8, 2009

Jesse O. Guills, Jr.
Counsel, City of Lewisburg
117 North Court Street
Lewisburg, WV 24901-1101

John C. Stump, Esq.
Counsel, City of Lewisburg
Steptoe & Johnson, PLLC
PO Box 1588
Charleston, WV 25326-1588

RE: Case No. 09-0099-W-CN
City of Lewisburg

Gentlemen:

Pursuant to Rule 2 of the Commission's Rules of Practice and Procedure, we are enclosing a copy of the Staff memorandum in this matter. If you wish to respond to the enclosed Staff memorandum, you may do so in writing, **within 10 days**, unless directed otherwise, of this date.

Your failure to respond in writing to the utility's answer, Staff's recommendations, or other documents may result in a decision in your case based on your original filing and the other documents in the case file, without further hearing or notice.

You have the ability to view documents as they are filed in this case if you have email. Please visit our web site at www.psc.state.wv.us and register with our email subscription system to receive customized daily activity information in this case. The public will not be given access to your email address. If you have provided an email address you will automatically receive docket notifications as documents are filed.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sandra Squire".

Sandra Squire, Director
Executive Secretary Division

SS/cg
Enc.

FINAL JOINT STAFF MEMORANDUM

TO: SANDRA SQUIRE
Executive Secretary

DATE: May 8, 2009

FROM: RONALD E. ROBERTSON, JR.
Staff Attorney



SUBJECT: CASE NO. 09-0099-W-CN
CITY OF LEWISBURG

WVA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

2009 MAY -8 P 2:10

RECEIVED

On February 5, 2009, the City of Lewisburg (City) filed a certificate application for Commission approval to construct a twelve inch (12") waterline from the high pressure areas of the City's existing water system to a connection point with the Town of Ronceverte (Town) in Greenbrier County, West Virginia. The City estimates that construction will cost no more than \$1,000,000. The project costs will be financed by a loan from either a private financial institution or a government agency in the amount of \$1,000,000 for a term of not more than 40 years at an interest rate of not more than 5%. The City is proposing no increase in water rates for its customers and requests a waiver of filing a Rule 42 Exhibit.

On April 24, 2009, the City filed a letter stating due to bids received coming in under the estimates and in addition to the construction outlined in the City's February 5, 2009, application, the City plans to undertake the following additional construction items provided these items can be constructed within the \$1,000,000 project budget: (i) painting of a water tank located in Fairlea that will supply water to the Town of Ronceverte once the interconnection between the City and the Town of Ronceverte is completed; (ii) installation of a redundant high service pump and piping at the Fairlea water tank that will supply water to the Town of Ronceverte; and (iii) installation of meters, meter vaults and piping at the interconnect between the City of the Town of Ronceverte.

The Town and the City entered into an agreement dated March 22, 2007, for the City to provide water service to the Town and was approved by a Commission Order (Final on May 13, 2007) in Case No. 06-0035-W-PC. The contract provided the City a resale rate of \$1.75 per 1,000 gallons to the Town.

Attached is the internal memorandum of Karen L. Buckley, Utility Analyst II, Water and Wastewater Division, and Jim Spurlock, Technical Analyst Associate, Engineering Division, that addresses the financial and engineering issues and represents the Technical Staff's final recommendation. The Legal Division has also reviewed the City's certificate filing and concurs with the Technical Staffs final recommendation.

CASE NO. 09-0099-W-CN
CITY OF LEWISBURG
May 8, 2009
Page 2

On March 18, 2009, the City published its Amended Notice of Filing legal advertisement in The West Virginia Daily News pursuant to West Virginia Code §24-2-11. There have been no protests filed within the statutory thirty (30) day protest period. Therefore, Staff recommends that the City's request for a waiver of filing a Rule 42 Exhibit be granted and further recommends approval of the City's water project without a hearing.

RER/s
Attachment

CWS CWS

G:\Home\ROBERTSON\2009 MEMOS\090099c.wpd

WEST VIRGINIA PUBLIC SERVICE COMMISSION

FINAL INTERNAL MEMORANDUM

DATE: May 7, 2009

TO: Ronald E. Robertson, Jr., Staff Attorney
Legal Division

FROM: Karen L. Buckley, Utilities Analyst II *KL*
Water and Wastewater Division

James Spurlock, Technical Analyst *JS*
Engineering Division

SUBJECT: Case No. 09-0099-W-CN
City of Lewisburg
Final Memo

RECEIVED
09 MAY -7 AM 11:23
WV PUBLIC SERVICE COMH.
LEGAL DIVISION

On February 5, 2009, the City of Lewisburg (Lewisburg) filed an application for a certificate of convenience and necessity to construct a 12" waterline from the high pressure area of the City's existing water system to a connection point with the Town of Ronceverte (Ronceverte) that will provide safe, adequate and continuous water service to Ronceverte. The City initially estimated that construction will cost approximately \$929,000 and would be financed through a loan from the West Virginia Water Development Authority (WDA). The City did not anticipate any change in its water rates. The City is requesting a waiver of the Rule 42 since no increase in water rates is necessary for completion of the project.

The City and Ronceverte entered into an agreement for the City to provide water services to Ronceverte, by agreement dated March 22, 2007, as approved by the Public Service Commission Final Decision in Case No. 06-0035-W-PC (Final on May 13, 2007). The contract provided for a re-sale rate of \$1.75 per Mgallon. In order to comply with the aforesaid agreement and the Commission decision, it is necessary for the connection of the City and Ronceverte water systems and construction of a water line extension to make the interconnection.

The City is requesting expedited treatment in order to assure that Ronceverte will have safe potable water, and construction must start as soon as possible to assure completion of the project.

Ronald E. Robertson, Jr., Staff Attorney
Case No. 09-0099-W-CN
May 7, 2009
Page 2

ENGINEERING REVIEW

The proposed construction consists of approximately 6,450 feet of 12-inch waterline to establish the interconnection between the City of Lewisburg and the City of Ronceverte to allow the City of Lewisburg to supply water to the City of Ronceverte. The estimated initial water demand of the Town of Ronceverte is 225,000 to 300,000 gallons per day. This will increase the Lewisburg treatment plant's running time from 19.5 to nearly 24 hours per day. In order to reduce the system's unaccounted-for water rate, which is currently 41%, and pursue increased plant capacity, the City has included in the project the cost of a comprehensive/leak detection study.

Bids have been received for construction of the waterline, and have come in under the original estimate. Therefore, the City notified the Commission on April 24, 2009 that it plans to undertake additional construction items, including painting of the Fairlea water tank, which will supply the Town of Ronceverte after the interconnection, installation of a redundant high service pump at the Fairlea water tank and installation of the metering equipment at the interconnection of Lewisburg and Ronceverte.

The updated total project cost is \$1,000,000. The engineering costs are \$85,500, which is equal to 16% of the construction cost of \$530,825. The cost of the comprehensive system study is \$176,000, which is included in the total project cost. The City of Lewisburg serves approximately 4,486 customers. This results in a cost per customer of \$223.

Operation and maintenance expenses are expected to increase by approximately \$64,788 after the project, due to increased water projection, which Staff feels was reasonably estimated.

The State Office of Environmental Health Services has issued Permit No. 18,214, indicating that agency's approval of the proposed construction. Staff's review of the plans and specifications does not reveal any conflicts with the Commission's Rules and Regulations.

FINANCIAL REVIEW

Ronald E. Robertson, Jr., Staff Attorney
Case No. 09-0099-W-CN
May 7, 2009
Page 3

The City, in its initial application, estimated that construction was not expected to exceed \$929,000 and initially proposed to finance it by a West Virginia Water Development Authority (WDA) loan. However, on February 19, 2009, the City filed a letter stating that based upon the current credit and interest rate environment, the City believed that a loan from a commercial bank or investment bank can be obtained for the Project at an interest rate which is more favorable than that offered by the WDA. The City issued a request for proposals to commercial banks and investment banks requesting proposed terms for the purchase of the water revenue bonds. The City hopes to obtain a fixed rate of approximately 4.5% for a term of 20 years. Subsequently thereafter, the City filed its Schedule B which shows the cost of construction to be approximately \$1,000,000.

On March 4, 2009, the City filed a letter from BB&T Bank offering to finance the Project with a loan in the amount of \$1,000,000 at 4.51% for 20 years. According to the letter, the stated interest rates assume that the City expects to borrow less than \$10,000,000 in calendar year 2009 and that the City shall comply with IRS Code Sections 141, 148 and 149. BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing for the purpose of IRS Code Section 265(b)(3). The financing will be secured by the net revenues of the City's water system on parity with existing water revenue bonds. The City shall be subject to a rate covenant which would provide debt service coverage of 115% on the Series 2009 and all prior water revenue bonds. The revenue bonds shall also have a fully funded debt service reserve fund equal to one year of debt service which shall be held at the West Virginia Municipal Bond Commission. The loan will require annual payments of \$75,983. The District has filed, with its application, the funding letters from BB&T.

The City's annual operation and maintenance (O&M) expenses were estimated to increase approximately \$64,788 as a result of the project. The Staff Engineer has reviewed them and determined them to be reasonable (see generally the Engineering review).

The City requested a waiver of the requirements of the Rule 42 since the project did not require a rate increase. Staff recommends approval of the City's request for a waiver of the Rule 42. The City will continue to charge its existing rates to its existing customers and the Commission approved contract rate

to Ronceverte. The current and Proforma Rates can be found on Attachment 1. Attachment 2 is the Staff Recommended Tariff for the City to consider as a model for its next rate ordinance to bring its tariff language into compliance with the Commission's current Tariff Rules. Staff has removed the provision for Disconnect/Reconnect/Administrative fees in the Staff Recommended Tariff, the charge for a seasonal turn off and the charge for a customer requested meter test. Attachment 3 is the cash flow analysis. On May 5, 2009, the City filed an updated cash flow statement for the nine month period from July 1, 2008 thru March 31, 2009. Staff has annualized those numbers and included the Proforma adjustments to come to the Staff Recommended and Proforma cash flow. The Proforma and Staff Recommended surplus and debt coverage will be approximately \$112,005 and 185.33% respectively. Based upon our review, Staff opines this project, as proposed is financially feasible and should be approved.

RECOMMENDATIONS

Staff recommends, pursuant to West Virginia Code §24-2-11 the City of Lewisburg's application for a Certificate of Convenience and Necessity to construct a 12" waterline from the high pressure area of the City's existing water system to a connection point with the Town of Ronceverte (Ronceverte) that will provide safe, adequate and continuous water service to Ronceverte, painting of the Fairlea water tank, which will supply the Town of Ronceverte after the interconnection, installation of a redundant high service pump at the Fairlea water tank, and installation of the metering equipment at the interconnection of Lewisburg and Ronceverte in the amount of \$1,000,000. This approval is contingent upon no protests being received after the protest period ends. Approval of the certificate application includes:

1. Project financing consisting of the following:
BB&T Bank Loan (4.51%, 20 years)

	<u>\$1,000,000</u>
Total	<u>\$1,000,000</u>

2. The level of operations as shown on Staff's Recommended Cash Flow Analysis, included as Attachment 3.
3. The City shall provide a copy of the engineer's certified tabulation of bids for all contracts associated with this project.

Ronald E. Robertson, Jr., Staff Attorney
Case No. 09-0099-W-CN
May 7, 2009
Page 5

4. The City shall submit copies of the "*Certificate of Substantial Completion*" for all contracts associated with this project.
5. Approval of the waiver of the requirement to file the Rule 42 Exhibit.
6. If there are changes in project costs which: (1) Affect rates, then the City must seek to reopen the case for further approval or; (2) Do not affect rates, then the City does not need to seek reopening and approval but must file an affidavit signed by its CPA certifying that rates are not affected.
7. That the Town adopt the Staff Recommended Tariff shown in Attachment 2 in its next ordinance in order to bring its tariff language into compliance with the Commission's current Tariff Rules.

KLB:JS:nat

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CITY OF LEWISBURG

CURRENT TARIFF

CASE NO. 09-0099-W-CN

APPLICABILITY

Applicable in entire area served

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service

CUSTOMER CHARGE

No bill will be rendered for less than the following amounts, according to size of the meter installed, to-wit:

5/8 inch meter	\$ 4.14
1 inch meter	\$ 10.35
1-1/2 inch meter	\$ 20.69
2 inch meter	\$ 33.11
3 inch meter	\$ 62.08
4 inch meter	\$103.47
6 inch meter	\$206.95
8 inch meter	\$331.12

USAGE CHARGE

In addition to the above minimum customer charge, a usage charge based upon metered (estimated) usage will be charged in accordance with the following schedule.

First 20,000 Gallons Used Per Month	\$6.29 per 1,000 Gallons
Next 60,000 Gallons Used Per Month	\$4.41 per 1,000 Gallons
All Over 80,000 Gallons	\$3.05 per 1,000 Gallons

LEAK RATE

In accordance with the West Virginia Public Service Commission Rules and Regulations, the following leak rate shall be used.

Leaks adjusted in accordance with Leak Policy \$0.75 per 1,000 Gallons

DELAYED PAYMENT PENALTY

The above tariff is net, on all accounts not paid in full within twenty (20) days of the date of bill, ten percent (10%) will be added to net amount shown. This delayed payment penalty is not interest and is to be collected only once for each bill when appropriate.

DISCONNECTION OF WATER SERVICE FOR NON-PAYMENT OF BILL

If any bill is determined to be delinquent in accordance with West Virginia Public Service Commission Policy, water service to the customer may be disconnected. Water service is to be disconnected in accordance with West Virginia Public Service Commission Policy. Water service will not be restored until all delinquent amounts and service fees have been paid in full in accordance with the applicable rules and regulations of the West Virginia Public Service Commission.

Whenever water service has been disconnected, an administrative fee of \$15.00 shall be charged; or in the event the delinquent water bill is collected by the City of Lewisburg in the field, an administrative fee of \$15.00 shall be charged. A \$15.00 administrative fee will be assessed for each occurrence where water service to a customer is restored after water service has been terminated for nonpayment of water bills.

CONNECTION CHARGE

There shall be a charge for each new connection to the system in accordance to the following schedule.

5/8"	\$ 350.00
1"	\$ 400.00
1-1/2"	\$ 500.00
2"	\$1,000.00

New connections in excess of 2" and connections for fire service will be based upon the actual costs of making such connection. The rate for 5/8 inch customer service shall become effective on July 1, 2002. All other rates shall be in effect March 5, 2002.

SECURITY DEPOSITS

A refundable security deposit shall be charged to all customers in accordance with West Virginia Public Service Commission Rules and Regulations.

CUSTOMER CONVENIENCE OR SEASONAL TURN ON OR OFF

There may be a five dollar (\$5.00) charge for each visit to the customer's premises for such turn on or off.

TESTING OR REPLACEMENT OF METER AT CUSTOMER REQUEST

Upon request of any customer of the system, the City will test or replace the customer's water meter as soon as is reasonably possible, and if the meter is found to be defective, the customer's account will be adjusted accordingly. If the meter is found to be accurate within the prescribed guidelines of the West Virginia Public Service Commission, then the customer's account will receive no adjustment and will be billed a charge of \$25.00 for this service.

FIRE PROTECTION (Private):

For each hydrant, sprinkler and/or hose connection located on private property exclusive of those customers with whom the City has an existing special contract for water service.

2 Inch Line	\$3.56 Per Month
3 Inch Line	\$4.30 Per Month
4 Inch Line	\$5.72 Per Month
6 Inch Line	\$12.77 Per Month
8 Inch Line	\$22.70 Per Month

RETURN CHECK CHARGE

When a check is returned to the city for any reason, the city will charge a \$25.00 administrative fee. The city reserves the right to require cash payment.

CITY OF LEWISBURG

STAFF RECOMMENDED TARIFF

CASE NO. 09-0099-W-CN

(C)APPLICABILITY

Applicable within the entire area served

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service

(C)MINIMUM CHARGE

No minimum bill will be rendered for less than \$4.14 per month which is the equivalent of 658 gallons of water.

5/8 inch meter	\$ 4.14
1 inch meter	\$ 10.35
1-1/2 inch meter	\$ 20.69
2 inch meter	\$ 33.11
3 inch meter	\$ 62.08
4 inch meter	\$103.47
6 inch meter	\$206.95
8 inch meter	\$331.12

(C)RATES (Customers with metered water supply)

First 20,000 gallons used per month	\$6.29 per 1,000 gallons
Next 60,000 gallons used per month	\$4.41 per 1,000 gallons
All Over 80,000 gallons used per month	\$3.05 per 1,000 gallons

(C)LEAK ADJUSTMENT

\$0.75 per 1,000 gallons is to be used when a bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

(C) DELAYED PAYMENT PENALTY

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

(O) DISCONNECTION OF WATER SERVICE FOR NON-PAYMENT OF BILL

(N) RECONNECTION \$15.00

To be charged whenever the supply of water is turned off for violations of rules, non-payment of bills, or fraudulent use of water.

(C) TAP FEE

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

A tap fee of:

5/8"	\$ 350.00
1"	\$ 400.00
1-1/2"	\$ 500.00
2"	\$1,000.00

Will be charged to customers applying for service before construction is completed adjacent to the customer's premises in connection with a certificate proceeding before the Commission. This pre-construction tap fee will be invalid after the completion of construction adjacent to an applicant's premises that is associated with a certificate proceeding.

(C) SECURITY DEPOSITS

Not to exceed one-twelfth (1/12) of the annual estimated charge for residential service or one-sixth (1/6) of the annual estimated charge for commercial service, or fifty dollars, whichever is greater.

(O) CUSTOMER CONVENIENCE OR SEASONAL TURN ON OR OFF

(O) TESTING OR REPLACEMENT OF METER AT CUSTOMER REQUEST

(C)PRIVATE FIRE PROTECTION SERVICE

Where connections, hydrants, sprinklers, etc. on private property are maintained by consumer:

2 inch Service Line with hydrants, sprinklers, and/or hose connections...	\$3.56 Per Month
3 inch Service Line with hydrants, sprinklers, and/or hose connections...	\$4.30 Per Month
4 inch Service Line with hydrants, sprinklers, and/or hose connections...	\$5.72 Per Month
6 inch Service Line with hydrants, sprinklers, and/or hose connections...	\$12.77 Per Month
8 inch Service Line with hydrants, sprinklers, and/or hose connections...	\$22.70 Per Month

(C)RETURN CHECK CHARGE

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

CITY OF LEWISBURG
CASE NO. 09-0099-W-CN
NINE MONTHS ANNUALIZED 2009

Attachment 3

	ANNUALIZED PER BOOKS \$	STAFF REC & PRO FORMA ADJ \$	STAFF REC & PRO FORMA \$
<u>AVAILABLE CASH</u>			
Operating Income	1,900,621	159,866	2,060,487
Other Income	<u>5,260</u>	<u>0</u>	<u>5,260</u>
Total Available Cash	1,905,881	159,866	2,065,747
<u>CASH REQUIREMENTS</u>			
Operating Expenses	1,511,375	64,788	1,576,163
Other Taxes	58,318	0	58,318
Total Cash Requirements Before Debt Service	<u>1,569,693</u>	<u>64,788</u>	<u>1,634,481</u>
Cash Available for Debt Service (A)	336,188	95,078	431,266
<u>DEBT SERVICE REQUIREMENTS</u>			
BONDS-Principal	84,053	0	84,053
Interest	72,670	0	72,670
Bank Loan-Principal	0	31,886	31,886
Interest	<u>0</u>	<u>44,097</u>	<u>44,097</u>
Total (B)	156,723	75,983	232,706
Other Debt Comvest-Principal	13,973	0	13,973
Interest	<u>2,209</u>	<u>0</u>	<u>2,209</u>
Total Other Debt	16,182	0	16,182
Debt Service Reserve	15,672	3,189	18,861
Depreciation Reserve	<u>47,516</u>	<u>3,996</u>	<u>51,512</u>
Total Reserve Requirements	63,188	7,185	70,373
Total Debt Service Requirements	236,093	83,168	319,261
Surplus (Deficit)	100,095	11,910	112,005
Percent Coverage (A)/(B)	142.40%		185.33%

Public Service Commission
Of West Virginia

201 Brooks Street, P. O. Box 812
Charleston, West Virginia 25323



Phone: (304) 340-0300
FAX: (304) 340-0325

May 5, 2009

Jesse O. Guills, Jr.
Counsel, City of Lewisburg
117 North Court Street
Lewisburg, WV 24901-1101

John C. Stump, Esq.
Counsel, City of Lewisburg
Steptoe & Johnson, PLLC
PO Box 1588
Charleston, WV 25326-1588

RE: Case No. 09-0099-W-CN
City of Lewisburg

Gentlemen:

Pursuant to Rule 2 of the Commission's Rules of Practice and Procedure, enclosed is a copy of the Staff memorandum in this matter. If you wish to respond to the enclosed Staff memorandum, you may do so in writing, within 10 days, unless directed otherwise, of this date.

Your failure to respond in writing to the utility's answer, Staff's recommendations, or other documents may result in a decision in your case based on your original filing and the other documents in the case file, without further hearing or notice.

You have the ability to view documents as they are filed in this case, if you have email. Please visit our web site at www.psc.state.wv.us and register with our email subscription system to receive customized daily activity information in this case. The public will not be given access to your email address. If you have provided an email address you will automatically receive docket notifications as documents are filed.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sandra Squire".

Sandra Squire, Director
Executive Secretary Division

SS/pjh
Enclosure

FURTHER JOINT STAFF MEMORANDUM

TO: SANDRA SQUIRE
Executive Secretary

DATE: May 6, 2009

FROM: RONALD E. ROBERTSON, JR. *RR*
Staff Attorney

RECEIVED
09 MAY - 6 PM 3: 59
W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

SUBJECT: CASE NO. 09-0099-W-CN
CITY OF LEWISBURG

On February 5, 2009, the City of Lewisburg (City) filed a certificate application for Commission approval to construct a twelve inch (12") waterline from the high pressure areas of the City's existing water system to a connection point with the Town of Ronceverte in Greenbrier County, West Virginia. The City estimates that construction will cost no more than \$1,000,000. The project costs will be financed by a loan from either a private financial institution or a government agency in the amount of \$1,000,000 for a term of not more than 40 years at an interest rate of not more than 5%. The City is proposing no increase in water rates for its customers and requests a waiver of filing a Rule 42 Exhibit.

On April 24, 2009, the City filed a letter stating due to bids received coming in under the estimates and in addition to the construction outlined in the City's February 5, 2009, application, the City plans to undertake the following additional construction items provided these items can be constructed within the \$1,000,000 project budget: (i) painting of a water tank located in Fairlea that will supply water to the Town of Ronceverte once the interconnection between the City and the Town of Ronceverte is completed; (ii) installation of a redundant high service pump and piping at the Fairlea water tank that will supply water to the Town of Ronceverte; and (iii) installation of meters, meter vaults and piping at the interconnect between the City of the Town of Ronceverte.

This memorandum is to provide the Commission an updated status about this case. After discussions with the Technical Staff, the Technical Staff is reviewing the City's revised cash flow analysis for the nine (9) month period ending March 31, 2009 filed with the Commission on May 5, 2009. Upon completion of our review of the City's revised cash flow analysis, Staff will file its final recommendation on or before May 13, 2009.

RER/s

CWS *CWS [Signature]*

From Rod Lowe
5/9/09

E-mailed to Swans,
Todd Swanson
to file

CITY OF LEWISBURG - WATER FUND
RULE 42 EXHIBIT
CASH FLOW ANALYSIS - REVISED
FOR THE NINE MONTH PERIOD JULY 1, 2008 TO MARCH 31, 2009

DESCRIPTION	Per Books	PER BOOKS ADJUSTED	GOING- LEVEL	PRO FORMA
<u>Available Cash:</u>				
Operating income	1,429,038	1,429,038	1,429,038	1,548,804
Other Income	3,955	3,955	3,955	3,955
Total Available Cash	<u>1,432,993</u>	<u>1,432,993</u>	<u>1,432,993</u>	<u>1,552,759</u>
<u>Cash Requirements:</u>				
Operating Expenses	1,136,372	1,136,372	1,136,372	1,184,963
Other Taxes	43,848	43,848	43,848	43,848
Total Cash Requirements before Debt Service	<u>1,180,220</u>	<u>1,180,220</u>	<u>1,180,220</u>	<u>1,228,811</u>
Cash Available for Debt Service (A)	<u>252,773</u>	<u>252,773</u>	<u>252,773</u>	<u>323,948</u>
Bond Principal & Interest (B)	<u>117,108</u>	<u>117,108</u>	<u>117,108</u>	<u>174,095</u>
Total Debt Service (B)	<u>117,108</u>	<u>117,108</u>	<u>117,108</u>	<u>174,095</u>
Other Debt - Note Payable	12,132	12,132	12,132	12,132
Debt Service Reserve Funding (10% P&I)	11,711	11,711	11,711	17,410
Renewal & Replacemen (2.5% OI)	35,726	35,726	35,726	38,720
Total Debt Service	<u>176,677</u>	<u>176,677</u>	<u>176,677</u>	<u>242,357</u>
Surplus (Deficit)	<u>76,096</u>	<u>76,096</u>	<u>76,096</u>	<u>81,591</u>
Percent of Coverage (A / B)	<u>215.85%</u>	<u>215.85%</u>	<u>215.85%</u>	<u>186.08%</u>

"UNAUDITED"

The West Virginia Daily News

PO Box 471

Lewisburg, WV 24901

PHONE: (304) 645-1206

09-0099-W-CN ✓

AFFIDAVIT OF PUBLICATION

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON
CASE NO. 09-0099-W-CN
CITY OF LEWISBURG

STATE OF WEST VIRGINIA
COUNTY OF GREENBRIER,
TO WIT:

a municipal utility, Greenbrier County
Application for a certificate of convenience and necessity to construct a twelve inch waterline from the high pressure area of the City of Lewisburg's existing water system to a connection point with the Town of Ronceverte that will provide safe, adequate and continuous water service to the Town of Ronceverte.

AMENDED NOTICE OF FILING

On February 5, 2009, the City of Lewisburg ("Lewisburg") applied for a certificate of convenience and necessity to construct certain additions and improvements to its system in Greenbrier County. Specifically, Lewisburg plans to provide the Town of Ronceverte with potable water service under an agreement dated March 22, 2007, requiring the construction of a twelve inch waterline from the high pressure areas of the City of Lewisburg's existing water system to a connection point with the Town of Ronceverte. The Town of Ronceverte will be a resale customer of Lewisburg.

The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, in Charleston, West Virginia.

I, Louise Bassett,
one of the editors of The West Virginia Daily News, a daily newspaper of general circulation published at Lewisburg, West Virginia, in the County of Greenbrier, State of West Virginia, do certify that

publication of the advertisement or advertisements attached hereto was made in one (1) issues of said newspaper, dated

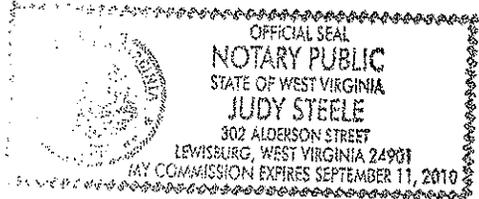
18 March 2009
MAR 18 2009
10 30 AM
GREENBRIER COUNTY
WEST VIRGINIA

Given under my hand this 18th day
of March, 2009
Louise Bassett
Editor or Publisher

Subscribed and sworn to before me this 18th day of March, 2009.

My commission expires Sept 11 2010
Judy Steele, Notary Public

Publication Fee: \$ 53.35



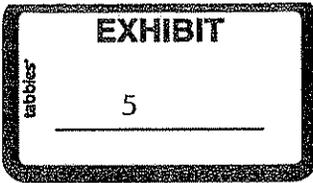
Lewisburg estimates that construction will cost approximately \$1,000,000. It proposes to finance the construction by a loan from either a private financial institution or a government agency in the amount of \$1,000,000 for a term of not more than 40 years at an interest rate of not more than 5%.

Lewisburg does not anticipate any change in water rates, but the requested rates and charges are subject to change (increases or decreases) by the Public Service Commission in its review of this filing.

Anyone desiring to protest or intervene should file a written protest or notice of intervention within thirty days following the date of this publication unless otherwise modified by commission order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case, including any associated rate changes, or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or intervention. Requests to intervene must comply with the rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323. If no protests are received within the thirty day period, the commission may waive formal hearing and grant the application based on the evidence submitted and its review.

City of Lewisburg
(18mr)

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MAY 10 AM 8 11
PUBLIC SERVICE COMMISSION
FOR THE STATE OF WEST VIRGINIA



RECEIVED JAN 26 2009

PWSID: WV3301307

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

CAPITOL & WASHINGTON STREETS 1 DAVIS SQUARE, SUITE 200 CHARLESTON, WV 25301
Telephone (304) 558-2981

PERMIT

PROJECT: (Water) Lewisburg/Ronceverte Interconnection **PERMIT NO.:** 18,214

LOCATION: Fairlea **COUNTY:** Greenbrier **DATE:** 1-21-2009

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

City of Lewisburg
119 W. Washington Street
Lewisburg, West Virginia 24901

is hereby granted approval to: install approximately 6,450 LF of 12" water line and all necessary valves and appurtenances.

Facilities are to establish an interconnection between the City of Lewisburg and the City of Ronceverte to allow the City of Lewisburg to supply water to the City of Ronceverte.

NOTE: This permit is contingent upon all new water lines being disinfected, flushed and bacteriologically tested, prior to use.

The Environmental Engineering Division of the OEHS Beckley District Office (304) 256-6666 is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR


William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:cls

pc: Chapman Technical Group
City of Ronceverte
James W. Ellars, P.E., PSC
Amy Swann, PSC
Greenbrier County Health Department
OEHS-EED Beckley District Office

WATER PURCHASE CONTRACT

(March 20, 2007)

This contract for the sale and purchase of water is entered into as of the 22nd day of March, 2007, between the City of Lewisburg, West Virginia, P.O. Drawer 548, 119 W. Washington Street, Lewisburg, WV 24901 hereinafter referred to as the "Seller" and the Town of Ronceverte, West Virginia, P.O. Box 417, 200 West Main Street, Ronceverte, WV 24970 hereinafter referred to as the "Purchaser",

WITNESSETH:

Whereas, the Purchaser is organized and established under the provisions of § 8-12-5 subdivision (32), and other provisions of the West Virginia Code, for the purpose of operating a water treatment and water supply distribution system serving water users within the boundaries of the municipality and water users who are not within the boundaries of the municipality, but are being served by Purchaser; and

Whereas, the Purchaser has determined that Purchaser's water treatment facility cannot meet the needs of its water users economically and efficiently; and intends to discontinue its water treatment plant; and, to accomplish this purpose, the Purchaser will require a supply of treated water; and,

Whereas, the Seller owns and operates a water supply distribution system with a capacity currently capable of serving the present water users of the Seller's system and the estimated number of water users to be served by the said Purchaser as shown in the plans of the system now on file in the office of the Purchaser; and,

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth,

A. The Seller Agrees:

1. (Quality and Quantity) To furnish the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the West Virginia Department of Health in such quantity as may be required by the Purchaser not to exceed (430,000) four hundred thirty thousand gallons per day. Daily usage is defined as total usage for a billing cycle divided by the number of days in the billing cycle. Daily usage in excess of four hundred thirty thousand gallons (430,000 gallons) per day will be assessed a surcharge of 15% of the stated cost per one thousand gallons (1,000 gallons). ~~The parties agree to a minimum daily usage of two hundred thousand gallons (200,000 gallons) starting the first day of the first month of following commencement of water delivery as described in section C, subsection 2 of this contract. Provided that a penalty shall not be assessed under the following circumstances: (1) a catastrophic event causing the purchaser to be unable to comply with the provisions of this contract despite its best efforts to comply; and (2) dissolution of the municipality. The parties agree that so long as Seller has the capacity and in the event of a catastrophic incident beyond the control of the Purchaser that creates a public safety issue requiring a temporary increase in the quantity of water supplied, the parties may agree to increase the quantity of water supplied to meet the emergency and while at the same time protecting the public safety of all of Seller's water users. The parties further agree that they will adjust the cost of the additional water provided that is fair to both parties under the circumstances, taking into account, the amount and duration of the increased supply and manpower costs. If parties~~

are unable to agree within 30 days, the issue will be referred to arbitration as provided for in section C-4 of this contract.

2. (Pressure) That water will be furnished at a reasonably constant pressure calculated at between 46 and 67 psi at five hundred (500) gallons per minute. If a greater pressure at the point or points of delivery is required by the Purchaser, the cost of providing the greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller temporarily from this provision for such reasonable period of time, not to exceed two days, as may be necessary to restore service.

3. (Metering Equipment) To furnish, install, operate, and maintain at its own expense at point of delivery, the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser and to test and calibrate the metering equipment in accordance with Public Service Commission regulations. Any additional testing required by Purchaser will be at their expense. A meter registering not more than two percent (2%) above or below the test result shall be deemed to be accurate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected to the lab test period (not to exceed 6 months) previous to such test in accordance with the percentage of inaccuracy found by such tests. If any meter fails to register for any period, the amount of water furnished during such period shall be deemed to be the amount of water delivered in the corresponding period immediately prior to the failure, unless Seller and Purchaser shall agree upon a different amount. The metering equipment shall be read on

the last business day of each month. An appropriate official of the Purchaser shall have access to the meter at all reasonable times in the presence of an official of the seller for the purpose of verifying its readings.

4. (Testing) Provide meter testing as may be necessary and conducted by qualified persons as required by the Public Service Commission's Rules and Regulations for government water utilities.

5. (Billing Procedure) To furnish the Purchaser at the above address not later than the fifteenth (15th) day of each month with an itemized statement of the amount of water furnished the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. (Rates, Payment Date, Escrow Account and Assignments) To pay the Seller, an initial flat rate of one dollar seventy-five cents (\$1.75) per each thousand gallons of water delivered not later than the last business day of each month following receipt of an itemized statement for water delivered by the Seller. The initial flat rate of one dollar and seventy-five cents (\$1.75) per thousand gallons may increase only as set by tariff by the Seller and approved by the West Virginia Public Service Commission. In so far as authorized by the West Virginia Public Service Commission, Purchaser agrees to establish a water user escrow account of at least one month's billing costs based on the monthly average for the most recent twelve month period. Any monies in this escrow account may only be used for the purpose of paying Seller for water provided to purchaser in the case of an unanticipated deficiency in purchaser's water budget during the term of this contract. If for any reason, Purchaser is unable to correct the deficiency within thirty days and bring its water payments into balance, Purchaser agrees to

temporarily assign to the Seller accounts receivable from its water users until the deficiency is corrected: Provided that monies from the escrow account may not be used for deficiencies of less than one month's billing costs and Purchaser may not assign its accounts receivable to Seller for deficiencies of less than one month's billing costs.

2. Purchaser agrees to include seller at the earliest possible time in planning for requesting increases in water purchased from seller that may result from the anticipated addition of a substantial number of new water customers of Purchaser.

3. Purchaser agrees that upon the execution of this agreement to adopt and adhere to the same standards for materials, water pipes, controls and connections of new water distribution lines installed by Purchaser after the effective date of this agreement as are established by Seller for its water distribution lines.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. (Term of Contract) That this contract shall extend for a term of forty (40) years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser: Provided that after one year of experience under the contract either party may, with at least 90 days notice, request a review of the contract except with regard to reduction of initial rate per thousand gallons unless purchaser's average daily quantity exceeds 430,000 gallons of water for three consecutive months and both parties agree to participate in the review to determine if the contract should be amended to ensure fairness to each party and to address unforeseen matters. The parties further agree that they will not unreasonably withhold approval of changes necessary to achieve fairness and address unforeseen matters. For the purpose of

this contract, fairness includes changes deemed necessary to ensure the stability and viability of the water systems of both parties as indicated by an analysis of the contract and the performance of the parties under the contract by a non involved third party certified in this State to conduct the analysis. Both parties agree to pay an equal share in the cost of the analysis.

2. (Initial Point of Connection, Date of Seller Readiness and Water for Testing)

The initial point of connection for the flow of water from Seller's water supply system to Purchaser's water distribution system shall be located at the end of Seller's eight inch water main located on property as described in Deed Book 466 at Page 681 and designated as Map 14 Parcel 8 on the Tax Maps of record in the office of the Assessor of Greenbrier County, West Virginia. Seller agrees to install the necessary metering equipment, including a meter house or pit, and required devices of standard type for properly measuring the quantity of water delivered to the Purchaser. Seller further agrees to be willing and able to deliver water to purchaser not later than the first day of September, 2008. Parties agree that commencement of water delivery is contingent upon substantial completion of Purchaser's water improvement project as approved by the Bureau of Public Health. If the purchaser is not ready on the first day of September, 2008, to receive water from the seller under the provisions of this contract, there will be a penalty fee for delay in the connection in the amount of forty-five dollars (\$45.00) per day for the first ninety days and thereafter seventy-five dollars (\$75.00) per day until connection is made. When requested by the Purchaser and upon reasonable notice thereof, the Seller will make available to the contractor at the point of delivery, or other point reasonably close thereto, water sufficient for testing, flushing, and trench filling the

system of the Purchaser during construction at a flat charge of one dollar and seventy-five cents (\$1.75) per thousand gallons which will be paid by the contractor or, on his failure to pay, by the Purchaser. Contractor shall provide any temporary piping and metering equipment required for metering water used by the contractor.

3. (Failure to Deliver, Maintenance by Purchaser, Prorated Supply Reductions and Joint Water Conservation Plan) That the Seller will, at all times, operate and maintain its system in an efficient manner and will take such action as may be necessary to furnish the Purchaser with quantities of water required by the Purchaser. Purchaser agrees to maintain and manage its water distribution system in an efficient and economic manner to prevent waste and will take such action as may be necessary to ensure that water users comply with conservation measures. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to the Seller is otherwise diminished over an extended period of time, the Seller agrees to maintain a supply of water at a reduced prorated amount to Purchaser so that Purchaser's individual water users shall receive a reduced or diminished amount of water in the same reduced ratio or proportion as the supply to Seller's individual water users is reduced or diminished. The parties agree to mutually develop and adhere to a water conservation plan and goal that ensures that water usage throughout the areas served by the parties meets the same conservation standards and requirements.

4. (Protocol for addressing issues, Binding Arbitration) Upon the execution of this document, the parties agree to develop a protocol for addressing any matters arising under this contract and any significant matters affecting either water supply system that

may affect the other party. The protocol shall include the designation of a point of contact for each party and shall provide for the appointment of a joint working group with an equal number of members designated by each party to address any significant issues that may require action or participation by the other party. If the working group is unable to resolve the matter, the parties agree to submit the issue or matter to be resolved for settlement by binding arbitration in accordance with the Rules of the American Arbitration Association.

5. (Modification of Contract) That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered is subject to modification as set by tariff by the Seller with approval by the West Virginia Public Service Commission. Other provisions of this contract may be modified or altered by written agreement between the parties.

6. (Regulatory Agencies) That this contract is subject to rules, regulations, or laws of State and local governments and agencies, including, but not limited to, the West Virginia Public Service Commission, the West Virginia Department of Environmental Protection, the West Virginia Division of Health; and the Seller and Purchaser will collaborate in obtaining permits, certificates, or the like, as may be required to comply therewith.

7. (Approval by Funding Organizations and Shared Costs of Future Growth) That the improvements being made to the water supply distribution system by the Purchaser is being financed by a grant from the Small Cities Block Grant Program of the West Virginia Development Office and a loan made or insured by the Bureau for Public Health through the Drinking Water Treatment Revolving Fund as administered by the West

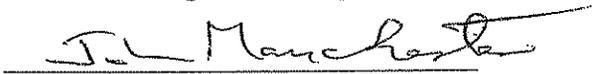
Virginia Water Development Authority; and the provisions hereof pertaining to the undertakings of the Purchaser are conditioned upon the approval, in writing, of those organizations. If agreed to by the parties, the purchaser may impose impact fees and include in those fees reimbursement to the seller for the cost of meeting the water needs of new customers subject to the impact fee.

8. (Successor to Seller or Purchaser) That in the event of any occurrence rendering either the Seller or Purchaser incapable of performing under this contract, any successor of the Seller or Purchaser, whether the result of legal process, assignment, or otherwise, shall succeed to the rights, liabilities and obligations of the non performing Seller or Purchaser hereunder.

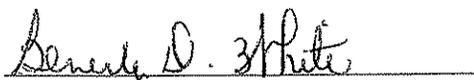
In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in counterparts, each of which shall constitute an original.

SELLER:

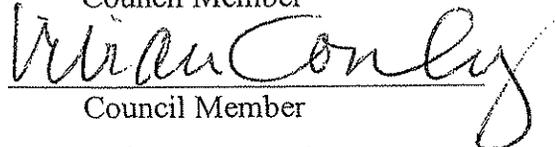
City of Lewisburg West Virginia

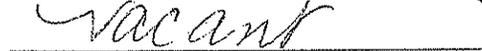
By: 
Mayor


Council Member


Council Member


Council Member


Council Member



Council Member

Attest: Sharon Timmerman Date: 3-20-07
Recorder

PURCHASER:

Town of Ronceverte, West Virginia

By: Gail White
Mayor

[Signature]
Council Member

Attest: [Signature] Date: 22 MAR 07
Recorder