CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

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CITY OF LEWISBURG

WATER REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

BOND ORDINANCE

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CITY OF LEWISBURG

BOND ORDINANCE

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES 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 $2,600,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT 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 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. 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 Waterworks system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain extensions, additions, betterments and improvements to the existing public waterworks facilities of the Issuer to construct additions and improvements to its waterworks distribution system, consisting of installation of 12 inch, and smaller, water line, service lines, gate valves, fire hydrants together with all necessary appurtenances (the "Project") (the existing public waterworks system of the Issuer, the Project and any further extensions, 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 Recorder of the Issuer.

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

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) in the total aggregate principal amount of not more than $2,600,000 as a single bond (the "Series 2010 A Bonds"), permanently finance the costs of acquisition and construction of the Project. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2010 A Bonds prior to and during acquisition and construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Account (as hereinafter defined) for the Series 2010 A Bonds; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise; administrative expense; commitment fees; fees and expenses of the Authority; discount; initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2010 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 2010 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2010 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the Council, in form satisfactory to the respective parties, to be approved hereby if not previously approved by resolution of the Issuer.

G. The Issuer has the following outstanding obligations: (i) Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original aggregate principal amount of $450,000 (the "Series 1975 Bonds"); (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the original aggregate principal amount of $2,200,000 (the "Series 1982 A Bonds"); (iii) Water Revenue Bonds, Series 2009 A (Branch Banking & Trust Company), dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000 (the "Series 2009 A Bonds"); and (iv) Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds").

The Series 2010 A Bonds shall be issued on a parity with the Prior Bonds. Prior to the issuance of the Series 2010 A Bonds, the Issuer will obtain (i) the 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 Series 1975 Bonds, Series 1982 A Bonds and Series 2010 B Bonds to the issuance of the Series 2010 A Bonds on a parity with the Series 1975 Bonds, Series 1982 A Bonds and Series 2010 B Bonds. The Series 2009 A Bonds do not require consent prior to the issuance of the Series 2010 A Bonds as a parity bond. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Issuer's Prior Bonds and the Series 2010 A Bonds and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law, the Loan Agreement (hereinafter defined) relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2010 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and the obtaining of a Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2010 A Bonds or such final order will not be subject to appeal.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2010 A Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2010 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 19 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2010 A Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority.

"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 2010 A Bonds and 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 2010 A Bonds for all or a portion of the proceeds of the Series 2010 A Bonds from the Authority.

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

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

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

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

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

"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 City 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.

"Grants" means any grants committed to the Project.

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

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

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

"Investment Property" means:

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

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

"Issuer" means 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 and of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered into, by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2010 A Bonds, the form of which shall be approved and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2010 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2010 A Bonds Reserve Account.

"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, operation and maintenance of the System, and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses (other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, Registrar and Paying Agent or Paying Agents, 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 any decrease in the value of capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

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

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

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution with the written consent of the Authority and the Council.

"Prior Bonds" means the Issuer's Series 1975 Bonds, Series 1982 A Bonds, Series 2009 A Bonds and Series 2010 B Bonds.

"Prior Ordinances" means the ordinances of the Issuer, as supplemented by the supplemental resolutions of the Issuer, authorizing the Prior Bonds.

"Private Business Use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit; provided that, use as a member of the general public shall not be taken into account.

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

"Qualified Investments" means and includes 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 or similar banking arrangements, fully secured by investments of the types described in paragraphs (a) through (e) above or fully insured by the FDIC, with member banks of the Federal Reserve system or 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, including, without limitation, authorized pools of investments operated by such State Board of Investments; 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 established by the Prior Ordinances and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Prior Bonds and the Series 2010 A Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account.

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

"RUS Bonds" means the Series 1975 Bonds and Series 1982 Bonds.

"Series 1975 Bonds" means the Issuer's Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original 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 original aggregate principal amount of $2,200,000.

"Series 2009 A Bonds" means the Issuer's Water Revenue Bonds, Series 2009 A (Branch Banking & Trust Company), dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000.

"Series 2010 B Bonds" means the Issuer's Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850.

"Series 2010 A Bonds" means the Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Ordinance.

"Series 2010 A Bonds Construction Trust Fund" means the Series 2010 A Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2010 A Bonds Reserve Account" means the Series 2010 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2010 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 2010 A Bonds in the then current or any succeeding year.

"Series 2010 A Bonds Sinking Fund" means the Series 2010 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking funds established for the Prior Bonds and the Series 2010 A 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 2010 A Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2010 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 or the Prior Ordinances to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Sinking Funds, the Reserve Accounts and the Renewal and Replacement Fund.

"System" means the complete existing public waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any further extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the System from any sources whatsoever.

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

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

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

ARTICLE II

AUTHORIZATION OF THE PROJECT

Section 2.01. Authorization of the 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 $2,600,000, of which will be paid from proceeds of the Series 2010 A Bonds, 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 2010 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and construction of the Project in an amount compatible with the financing plan submitted to the Council and the Authority.

The cost of the project is estimated not to exceed $2,600,000 which will be obtained from the proceeds of the Series 2010 A Bonds.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS, AUTHORIZATION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2010 A Bonds, funding the reserve account for the Series 2010 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2010 A Bonds and

related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2010 A Bonds of the Issuer. The Series 2010 A Bonds shall be issued as a single bond, designated as "Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)", in the principal amount of not more than $2,600,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2010 A Bonds remaining after funding of the Series 2010 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2010 A Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2010 A Bonds shall be issued in such principal amount; shall bear interest, if any, 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 or as specifically provided in the Loan Agreement. The Series 2010 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, if any, on the Series 2010 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 Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2010 A Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a debt service schedule attached, representing the aggregate principal amount of the Series, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2010 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2010 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 2010 A Bonds shall cease to be such officer of the Issuer before the Series 2010 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 2010 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2010 A Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and

until the Certificate of Authentication and Registration on such 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 2010 A Bonds shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2010 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 2010 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 2010 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2010 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 or transferring the registered Series 2010 A Bonds are exercised, all Series 2010 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2010 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 2010 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 any Series 2010 A Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2010 A Bonds or, in the case of any proposed redemption of such 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 2010 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so

surrendered shall be 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 2010 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 2010 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2010 A Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service on the Series 2010 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System, on a parity with the Prior Bonds. The Gross Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds, and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2010 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2010 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2010 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 2010 A Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinions of bond counsel on the Series 2010 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2010 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:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2010 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That on the ___ day of _____, 2010, 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 special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___, to and including _____ 1, 20___ as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference with interest _____ of __% payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___, to and including _____ 1, 20___ as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2010.

This Bond is issued (i) to pay the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the public waterworks system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, 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 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on _____, 2010, and a Supplemental Resolution duly adopted by the Issuer on _____, 2010 (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 REVENUE BONDS, SERIES 1975 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED DECEMBER 22, 1976, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $450,000(THE "SERIES 1975 BONDS"); (II) WATER REVENUE BONDS, SERIES 1982 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED OCTOBER 5, 1982, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,200,000 (THE "SERIES 1982 A BONDS"); (III) WATER REVENUE BONDS, SERIES 2009 A (BRANCH BANKING & TRUST COMPANY), DATED MARCH 22, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,000,000 (THE "SERIES 2009 A BONDS"); AND (IV) WATER REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED JANUARY 27, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,982,850 (THE "SERIES 2010 B 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 2010 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 hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2010 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 on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that, so long as there exists in the Series 2010 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the

Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar 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 described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

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

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

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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 2010 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: _____, 2010.

THE HUNTINGTON NATIONAL BANK,
as Registrar

By: _____
Its: Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, 20___.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2010 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver them to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, and is hereby approved and incorporated in this Bond Legislation.

Section 3.12. Filing of Amended Schedule. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Council and the Authority a schedule for the Series 2010 A Bonds, the form of which will be provided by the Authority and the Council, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

(1) Revenue Fund (established by the Prior Ordinances);

(2) Renewal and Replacement Fund (established by the Prior Ordinances);

(3) Rebate Fund;

(4) Prior Bonds Reserve Accounts (established by Prior Ordinances); and

(5) Series 2010 A Bonds Construction Trust Fund.

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

(1) Series 2009 A Bonds Sinking Fund (established by Prior Ordinances);

(2) Series 2009 A Bonds Reserve Account (established by Prior Ordinances);

(3) Series 2010 B Bonds Sinking Fund (established by Prior Ordinances);

(4) Series 2010 B Bonds Reserve Account (established by Prior Ordinances)

(5) Series 2010 A Bonds Sinking Fund; and

(6) Series 2010 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in the Prior Ordinances and in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in the Prior Ordinances and in this Bond Legislation. All monies in the Revenue Fund shall be disposed of only in the following manner and order of priority:

(1) The Issuer shall first, on the first day of each month, simultaneously transfer from the Revenue Fund (i) to the National Finance Office the amount required by the Prior Ordinances to pay interest on the RUS Bonds; (ii) to the Commission the amount required by Prior Ordinance to pay interest on the Series 2009 A Bonds; and (iii) to the Commission, commencing 4 months prior to the first date of payment of interest of the Series 2010 A Bonds, for deposit in the Series 2010 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will mature and become due on the Series 2010 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 A Bonds Sinking Fund and the next quarterly interest payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, 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 amount required by Prior Ordinances to pay principal on the RUS Bonds; (ii) remit to the Commission the amount required by Prior Ordinances to pay principal, if any, on the Series 2009 A Bonds and Series 2010 B Bonds; and (iii) remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2010 A Bonds,

for deposit in the Series 2010 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2010 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 A Bonds Sinking Fund and the next quarterly principal payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit (i) to the Depository Bank the amount required by Prior Ordinances to be deposited in the Prior Bonds Reserve Accounts for the RUS Bonds; (ii) to the Commission, the amounts required by the Prior Ordinances to be deposited in the Series 2009 A Bonds Reserve Account; and (iii) to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2010 A Bonds, if not fully funded upon issuance of the Series 2010 A Bonds, for deposit in the Series 2010 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2010 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2010 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 2010 A Bonds Reserve Requirement.

(4) The Issuer shall next, each month, transfer from the Revenue Fund to the Operation and Maintenance Fund an amount sufficient to pay current Operating Expenses of the System.

(5) The Issuer shall next, on the first day of each month, from the monies remaining in the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month (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 account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2010 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest on the Series 2010 A Bonds, as the same shall become due. Monies in the

Series 2010 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest on the Series 2010 A Bonds, as the same shall come due, when other monies in the Series 2010 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2010 A Bonds Sinking Fund and the Series 2010 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 2010 A Bonds Construction Trust Fund, and following completion thereof, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment due on the Series 2010 A Bonds.

Any withdrawals from the Series 2010 A Bonds Reserve Account, which result in a reduction in the balance of such accounts to below the Reserve Requirements thereof, shall be restored from the first Gross Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2010 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2010 A Bonds Sinking Fund or the Series 2010 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2010 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 made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2010 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 2010 A Bonds Sinking Fund and the Series 2010 A Bonds Reserve Account, created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2010 A Bonds Sinking Fund and the Series 2010 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2010 A Bonds Sinking Fund and the Series 2010 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2010 A Bonds under the conditions and restrictions set forth herein.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into

such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

C. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest and reserve payments with respect to the Series 2010 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.

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

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

F. The monies in excess of the 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 Government Obligations or by other Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

ARTICLE VI

APPLICATION OF BOND PROCEEDS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2010 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2010 A Bonds, there shall first be deposited with the Commission in the Series 2010 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental

Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2010 A Bonds for the period commencing on the date of issuance of the Series 2010 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2010 A Bonds, there shall be deposited with the Commission in the Series 2010 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2010 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2010 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2010 A Bonds Construction Trust Fund and applied solely to payment of the costs of the Project in the manner set forth in Section 6.02 hereof and, until so expended, are hereby pledged as additional security for the Series 2010 A Bonds.

D. After completion of the construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2010 A Bonds shall be expended as directed by the Council.

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

Except as provided in Section 6.01 hereof, disbursements of the proceeds of the Series 2010 A Bonds from the Series 2010 A Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Council of a certificate, signed by an Authorized Officer stating that:

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

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

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

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

Pending such application, monies in the Series 2010 A Bonds Construction Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2010 A Bonds within 3 years of the date of issuance of the Council's bonds, the proceeds of which were used to make the loan to the Issuer, if applicable.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Series 2010 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 2010 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 2010 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2010 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 the Series 2010 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2010 A Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Position with respect to Prior Bonds. The payment of the debt service on the Series 2010 A Bonds shall be secured by a first lien on the Gross Revenues derived from the System, on a parity with each other and 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 on and other payments for the Bonds, and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

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 and the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted May 18, 2010 which rates are incorporated herein by reference as a part hereof.

So long as the Series 2010 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates and charges initially established for the System in connection with the Series 2010 A Bonds shall prove to be insufficient to produce the amounts required by this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates and charges and take all such actions necessary to provide funds sufficient to produce the amounts required by this Bond Legislation and the Loan Agreement.

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

So long as the Series 2010 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the System may not be sold, mortgaged, leased or otherwise disposed of except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall immediately be remitted to the Commission for deposit in the Series 2010 A Bonds Sinking Fund, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 2010 A Bonds in accordance with Article X hereof. Any balance remaining after the payment of the Series 2010 A Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor is not in excess of $50,000, the Issuer shall, in writing, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Issuer may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property shall be in excess of $50,000 but not in excess of $200,000, the Issuer shall first, in writing, determine with the written approval of the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the Governing Body may then, if it be so advised, by resolution duly adopted, approve and concur in such finding and authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds derived from any such sale, lease or other disposition of such property, in excess of $50,000 and not in excess of $200,000, shall be deposited by the Issuer into the Renewal and Replacement Fund. Such payments of such proceeds into the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said fund by other provisions of the Prior Ordinances and this Bond Legislation.

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the source fiscal year for such sales, leases or other dispositions of such properties, shall be in excess of $200,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders , or their duly authorized representatives, of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2010 A Bonds.

All obligations issued by the Issuer after the issuance of the Series 2010 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 2010 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2010 A Bonds, and the interest thereon, upon any of the income and revenues of the System pledged for payment of the Series 2010 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. 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. In addition, no additional Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2010 A Bonds pursuant to this Ordinance, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided (unless less restrictive than the provisions of the Prior Ordinances).

No such additional Parity Bonds shall be issued except for the purposes of financing the costs of the acquisition and construction of extensions, additions, betterments or improvements to the System, refunding all or a portion of one or more series of Bonds issued pursuant hereto, to pay claims which may exist against the revenues or facilities of the System or all of such purposes.

So long as the RUS Bonds are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Recorder a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues for the Fiscal Year following the year in which such Parity Bonds are to be issued shall be at least 120% of the average annual debt service requirements on the following:

(1) The Bonds then Outstanding;

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

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

The foregoing limitation may be waived or modified by the written consent of the Holders of the RUS Bonds, representing 75% of the then-outstanding principal indebtedness. In the event the foregoing limitation is waived or when the RUS Bonds are no longer Outstanding, the following requirement shall be met:

So long as the Series 2009 A Bonds, Series 2010 B Bonds or Series 2010 A Bonds are Outstanding, 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 Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustment 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 additional Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115%, of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding;

(2) Any additional Parity Bonds theretofore issued pursuant to the provisions contained in the Prior Ordinances and this Bond Legislation then Outstanding; and

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates 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 Independent Certified Public Accountants, which shall be filed in the office of the Recorder prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12 consecutive month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, 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.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the 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 the lien on and source of and security for payment from such revenues, with the Bonds.

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

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

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

The Issuer 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 Issuer shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Issuer shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Authority and the Council, or any other original purchaser of the Series 2010 A Bonds and shall mail in each year to any Holder or Holders of the Series 2010 A Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2010 A Bonds and shall submit the report to the Authority and the Council, or any other original purchaser of the Series 2010 A Bonds. Such audit report submitted to the Authority and the Council shall include a statement that notes whether the results of test disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

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

Section 7.09. Rates. Prior to the issuance of the Series 2010 A Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Recorder of the Issuer, which copy 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 and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, 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 on the Series 2010 A Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2010 A Bonds including the Prior Bonds; provided that, in the event that, an amount equal to or in excess of the Reserve Requirement is on deposit in the Series 2010 A Bonds Reserve Account and any reserve accounts for obligations on a parity with the Series 2010 A Bonds are funded at least at the requirement therefor, such sum need only equal 110% of the maximum amount required in any year for payment of principal of and interest on the Series 2010 A Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2010 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance described in Section 7.04.

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 Independent Certified Public Accountant that less than the above-required coverage exists or in the event that the annual audit report shows 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 and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority, the Council and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, within 30 days of adoption thereof and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for 2 years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the Council by the 10th day of each month.

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

sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

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

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

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the 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 the System or the water 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 system is not owned by the Issuer, the Issuer will, to the extent allowed by law, use diligent efforts to enter into a similar termination agreement with the 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 thereof.

Section 7.14. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of either shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer, 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 2010 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 Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the prime contractor 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 and 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 and the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

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

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

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

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

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

Section 7.16. 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 of Project; Permits and Orders. The Issuer will complete the acquisition and construction of 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 will obtain all permits required by state and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals of issuance of the Series 2010 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal and shall supply an opinion of counsel to such effect.

Section 7.18. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority. The Issuer also agree to comply with all applicable laws, rules and regulations issued by the Authority, the Council or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

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

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

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 2010 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 2010 A Bonds during the term thereof is, under the terms of the Series 2010 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) that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2010 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 2010 A Bonds during the term thereof is, under the terms of the Series 2010 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 2010 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 2010 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 the portion of the Project to which such Private Business Use is related. All of the foregoing shall be determined in accordance with the Code.

B. PRIVATE LOAN LIMITATION. The Issuer shall assure that not in excess of the lesser of 5% of the Net Proceeds of the Series 2010 A Bonds or $5,000,000 are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. FEDERAL GUARANTEE PROHIBITION. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2010 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. INFORMATION RETURN. The Issuer will timely file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2010 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 (including, without limitation, those deemed necessary by the Authority) so that the interest on the Series 2010 A Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions or fail to take any actions (including, without limitation, those deemed necessary by the Authority), the result of which would adversely affect such exclusion.

Section 7.20. Securities Law Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases.

A. The Issuer shall, simultaneously with the delivery of the Series 2010 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2010 A Bonds held in "contingency" as set forth in the Schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2010 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS; USE OF PROCEEDS

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Resolution, 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 Resolution, 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 bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2010 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and to assure the exclusion of interest, if any, on the Series 2010 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 2010 A Bonds which would cause the Series 2010 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take any and 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 2010 A Bonds) so that the interest on the Series 2010 A Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2010 A Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2010 A Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions,

as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall 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 Authority, 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 Authority 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 Authority at the expense of the Issuer. To the extent not so performed by the Authority, the Issuer and the Depository Bank (at the expense of the Issuer) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer or the Depository Bank 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 2010 A Bonds from gross income for federal income tax purposes.

The Issuer shall furnish to the Authority, annually, and at such time as it is required to perform its rebate calculations under the Code, a certificate with respect to its rebate calculations and, at any time, any additional information relating thereto as may be requested by the Authority. In addition, the Issuer shall cooperate with the Authority in preparing any required rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer.

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation and certificate with respect thereto or, if the Issuer qualifies for the small governmental issue exception to rebate, or any other exception thereto, then the Issuer shall submit to the Authority a certificate stating that it is exempt from such rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 2010 A Bonds subject

to rebate. The Issuer shall also furnish to the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority including information with respect to earnings on all funds constituting "gross proceeds" of the Series 2010 A Bonds (as such term "gross proceeds" is defined in the Code).

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 2010 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest on the Series 2010 A Bonds; or

(2) If default occurs in the Issuer or the Issuer's observance of any of the covenants, agreements or conditions on their respective parts relating to the Series 2010 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2010 A Bonds, and such default shall have continued for a period of 30 days after the Issuer or Issuer, as appropriate, shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer or 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 or Bondholder 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 or Bondholders 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 or Bondholders 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 2010 A Bonds shall be on a parity with those of the Holders of the Prior Bonds.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the

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

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

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

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

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Series 2010 A Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the Series 2010 A Bonds, the principal of and interest due or to become due thereon at the times and in the manner stipulated therein and in this Bond Legislation, then 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 2010 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2010 A Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2010 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 2010 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2010 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2010 A Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2010 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 excludability of interest on the Series 2010 A Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this 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 2010 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; 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 and the Issuer were at all times when any actions in connection with this Ordinance occurred and are duly in office and duly qualified for such office.

Section 11.07. Statutory Notice and Public Hearing. Upon adoption hereof, an abstract of this Ordinance 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 published and 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 2010 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.

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Section 11.08. Effective Date. This Ordinance shall take effect immediately following public hearing hereon.

Passed on First Reading:	September 21, 2010
Passed on Second Reading:	September 28, 2010
Passed on Final Reading Following Public Hearing:	October 19, 2010

Mayor

5394444

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Governing Body of the City of Lewisburg on the 19th day of October, 2010.

Dated: December 2, 2010.

[SEAL]

Shannon Ninnemann
Recorder

EXHIBIT A

Loan Agreement included in bond transcript as Document 3

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF THE CITY OF LEWISBURG; RATIFYING AND APPROVING A LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; APPROVING A BOND ORDINANCE; 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 October 19, 2010 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES 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 $2,600,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Ordinance provides for the issuance of the Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer, in the aggregate principal amount not to exceed $2,600,000 (the "Bonds"), and has authorized the execution and delivery of a loan agreement relating to the Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 8, Article 19 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

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

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bonds be redesignated, that the Loan Agreement be approved and entered into by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provisions, the interest rate, the interest and principal payment dates and the sale price of the 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 2010 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $1,482,000. The Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2032, and shall bear interest at the rate of 3% per annum. The principal and interest of the Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2012, to and including March 1, 2032, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds. The Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of a redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Loan Agreement and in the applications to the Council and the Authority.

The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

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

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate City National Bank, Lewisburg, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2010 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2010 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2010 A Bonds proceeds in the amount of $98,814 shall be deposited in the Series 2010 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Bonds shall be deposited in or credited to the Series 2010 A Bonds Construction Trust Fund as received from the Council from time to time for payment of costs of the Project, including, without limitation, costs of issuance of the Bonds and related costs.

Section 10. The Mayor and the Recorder are hereby authorized and directed to execute and deliver such other documents, agreements, instruments 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 December 2, 2010, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 12. The Issuer does hereby approve and authorize all contracts relating to the financing, acquisition and construction of the Project.

Section 13. 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 2010 A Bonds Sinking Fund, including the Series 2010 A Bonds Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia

Consolidated Fund.

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

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Adopted this 2nd day of December, 2010.

J. L. Manchester

Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Lewisburg on the 16th day of November, 2010.

Dated: December 2, 2010

[SEAL]

Shannon Ninneman
Recorder

11.03.10
522450.00006

5395510

IC-1
(08/09)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

CITY OF LEWISBURG
(2009W-1118b)

(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

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

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

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

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an

Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

WHEREAS, having reviewed the Application and made all findings required by the Act and having available sufficient funds therefor, the Council has authorized the Authority to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Infrastructure Fund, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's loan program (the "Program") as hereinafter set forth.

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

ARTICLE I

Definitions

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

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

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

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

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

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

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

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

1.9 "Operating Expenses" means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.10 "Project" means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

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

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

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority and Council having found, to the extent applicable, that the Project is consistent with the Act.

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or

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

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

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

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

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

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent

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

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

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

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

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

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE IV

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

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

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

(i) to pay Operating Expenses of the System;

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

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

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

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

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

(b) Covenants substantially as follows:

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

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

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

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

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

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

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

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

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

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

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and

the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

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

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

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

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

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

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

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

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

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

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

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

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

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin,

sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

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

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

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

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

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

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

Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

ARTICLE V

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

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

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

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

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

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

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

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

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

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

ARTICLE VII

Miscellaneous

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

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

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

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

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

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

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

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

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

7.10 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or

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

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

CITY OF LEWISBURG

(SEAL)

By: _____
Its: Mayor
Date: December 2, 2010

Attest:

_____
Its: Recorder

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: December 2, 2010

Attest:

_____
Its: Authorized Officer

{C1899564.1}

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____

(Issuer)

_____

(Name of Bonds)

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

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

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

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

[1]If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____,

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

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

[SEAL]

_____

By: _____
West Virginia License No. _____

Esq.] and delete "my firm has ascertained that".

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

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
300 Summers Street, Suite 980
Charleston, West Virginia 25301

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

Ladies and Gentlemen:

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

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

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

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior

to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

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

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

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

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

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

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

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

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

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

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

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

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

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

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

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

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

EXHIBIT D

MONTHLY PAYMENT FORM

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:	
Interest	$
Principal	$
Total:	$
Reserve Account:	$

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $1,482,000
Purchase Price of Local Bonds $1,482,000

The Local Bonds shall bear interest at a rate of 3% per annum. Commencing June 1, 2012, principal and interest on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

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

(i) City of Lewisburg Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original aggregate principal amount of $450,000;

(ii) City of Lewisburg Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the original aggregate principal amount of $2,200,000;

(iii) City of Lewisburg Water Revenue Bonds, Series 2009 A (Branch Banking & Trust Company), dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000; and

(iv) City of Lewisburg Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850.

Number of New Customers to Be Served: 0
Location: N/A

SCHEDULE Y
DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

City of Lewisburg

IF

3% Interest Rate

20 Years

Dated Date 12/2/10

Delivery Date 12/2/10

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/12	13,740	3.000%	11,115.00	24,855.00
9/1/12	13,740	3.000%	11,011.95	24,751.95
12/1/12	13,740	3.000%	10,908.90	24,648.90
3/1/13	13,742	3.000%	10,805.85	24,547.85
6/1/13	14,157	3.000%	10,702.79	24,859.79
9/1/13	14,157	3.000%	10,596.61	24,753.61
12/1/13	14,157	3.000%	10,490.43	24,647.43
3/1/14	14,159	3.000%	10,384.25	24,543.25
6/1/14	14,587	3.000%	10,278.06	24,865.06
9/1/14	14,587	3.000%	10,168.66	24,755.66
12/1/14	14,587	3.000%	10,059.26	24,646.26
3/1/15	14,587	3.000%	9,949.85	24,536.85
6/1/15	15,030	3.000%	9,840.45	24,870.45
9/1/15	15,029	3.000%	9,727.73	24,756.73
12/1/15	15,029	3.000%	9,615.01	24,644.01
3/1/16	15,031	3.000%	9,502.29	24,533.29
6/1/16	15,486	3.000%	9,389.56	24,875.56
9/1/16	15,485	3.000%	9,273.41	24,758.41
12/1/16	15,485	3.000%	9,157.28	24,642.28
3/1/17	15,487	3.000%	9,041.14	24,528.14
6/1/17	15,955	3.000%	8,924.99	24,879.99
9/1/17	15,955	3.000%	8,805.32	24,760.32
12/1/17	15,955	3.000%	8,685.66	24,640.66
3/1/18	15,957	3.000%	8,566.00	24,523.00
6/1/18	16,440	3.000%	8,446.32	24,886.32
9/1/18	16,439	3.000%	8,323.02	24,762.02
12/1/18	16,439	3.000%	8,199.73	24,638.73
3/1/19	16,441	3.000%	8,076.44	24,517.44
6/1/19	16,938	3.000%	7,953.13	24,891.13
9/1/19	16,938	3.000%	7,826.09	24,764.09
12/1/19	16,938	3.000%	7,699.06	24,637.06
3/1/20	16,940	3.000%	7,572.02	24,512.02
6/1/20	17,452	3.000%	7,444.97	24,896.97
9/1/20	17,452	3.000%	7,314.08	24,766.08
12/1/20	17,452	3.000%	7,183.19	24,635.19
3/1/21	17,453	3.000%	7,052.30	24,505.30
6/1/21	17,982	3.000%	6,921.41	24,903.41
9/1/21	17,981	3.000%	6,786.54	24,767.54
12/1/21	17,981	3.000%	6,651.68	24,632.68
3/1/22	17,984	3.000%	6,516.83	24,500.83
6/1/22	18,527	3.000%	6,381.95	24,908.95
9/1/22	18,527	3.000%	6,242.99	24,769.99
12/1/22	18,527	3.000%	6,104.04	24,631.04
3/1/23	18,529	3.000%	5,965.09	24,494.09

BOND DEBT SERVICE

City of Lewisburg

IF

3% Interest Rate

20 Years

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/23	19,090	3.000%	5,826.12	24,916.12
9/1/23	19,089	3.000%	5,682.95	24,771.95
12/1/23	19,089	3.000%	5,539.78	24,628.78
3/1/24	19,091	3.000%	5,396.61	24,487.61
6/1/24	19,668	3.000%	5,253.43	24,921.43
9/1/24	19,668	3.000%	5,105.92	24,773.92
12/1/24	19,668	3.000%	4,958.41	24,626.41
3/1/25	19,671	3.000%	4,810.90	24,481.90
6/1/25	20,266	3.000%	4,663.37	24,929.37
9/1/25	20,265	3.000%	4,511.37	24,776.37
12/1/25	20,265	3.000%	4,359.38	24,624.38
3/1/26	20,267	3.000%	4,207.40	24,474.40
6/1/26	20,880	3.000%	4,055.39	24,935.39
9/1/26	20,880	3.000%	3,898.79	24,778.79
12/1/26	20,880	3.000%	3,742.19	24,622.19
3/1/27	20,882	3.000%	3,585.59	24,467.59
6/1/27	21,514	3.000%	3,428.98	24,942.98
9/1/27	21,514	3.000%	3,267.62	24,781.62
12/1/27	21,514	3.000%	3,106.27	24,620.27
3/1/28	21,514	3.000%	2,944.91	24,458.91
6/1/28	22,166	3.000%	2,783.56	24,949.56
9/1/28	22,166	3.000%	2,617.31	24,783.31
12/1/28	22,166	3.000%	2,451.07	24,617.07
3/1/29	22,169	3.000%	2,284.82	24,453.82
6/1/29	22,840	3.000%	2,118.56	24,958.56
9/1/29	22,839	3.000%	1,947.26	24,786.26
12/1/29	22,839	3.000%	1,775.96	24,614.96
3/1/30	22,840	3.000%	1,604.67	24,444.67
6/1/30	23,533	3.000%	1,433.37	24,966.37
9/1/30	23,532	3.000%	1,256.87	24,788.87
12/1/30	23,532	3.000%	1,080.38	24,612.38
3/1/31	23,533	3.000%	903.89	24,436.89
6/1/31	24,247	3.000%	727.40	24,974.40
9/1/31	24,246	3.000%	545.54	24,791.54
12/1/31	24,246	3.000%	363.70	24,609.70
3/1/32	24,247	3.000%	181.85	24,428.85
	1,482,000		**494,082.92**	**1,976,082.92**

SCHEDULE Z

None.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
9/8/2010

Issued: August 19, 2010

CASE NO. 10-0698-W-CN

CITY OF LEWISBURG,
a municipal utility, Lewisburg, Greenbrier County.
Application for a certificate of convenience and necessity to construct certain additions and improvements to its waterworks system and for approval of the financing thereof.

RECOMMENDED DECISION

On May 14, 2010, the City of Lewisburg ("City") filed with the Public Service Commission ("Commission") an application for a certificate of convenience and necessity to construct certain additions and improvements to its waterworks system, consisting of 240 linear feet of 12-inch water line; 5,100 linear feet of 8-inch waterline; 1,010 linear feet of 2-inch water line; 3,115 linear feet of 1-inch and 3/4-inch service line; fire hydrants; and appurtenances.

Also on May 14, 2010, the Commission directed the City to publish a Notice of Filing, which provided that, if no substantial protest was filed within thirty days after the date of publication, the Commission might waive formal hearing and grant the application based upon its review of the evidence submitted with the application.

On May 26, 2010, by Order, the Commission referred this matter to the Division of Administrative Law Judges for decision no later than October 26, 2010, if timely substantial protest was received, and no later than September 27, 2010, if such protest was not filed.

On July 1, 2010, the City filed an affidavit of publication of the Notice of Filing on May 20, 2010, in The West Virginia Daily News, published in Greenbrier County.

On August 6, 2010, a Final Joint Staff Memorandum was filed, which included the following: The City's collection system is old (some pipes over one hundred years old) and leaking; its unaccounted-for water rate is 41.8%, and its treatment plant operates more than twenty hours per day. The project is needed to lower the unaccounted-for water rate and the number of hours per day the

plant is run and, therefore, reduce costs. The total estimated cost of the project is $2,165,150, including an estimated construction cost of $1,775,400; the costs of the project are reasonable. The project has been approved by the West Virginia Infrastructure and Jobs Development Council ("WVIJDC") and will be financed by a $2,165,150 loan from WVIJDC, payable over twenty years at an annual interest rate of 3%. The City enacted an ordinance raising its water rates by 20%, effective July 2, 2010, which will be adequate to cover the City's operating costs and its debt coverage. The West Virginia Office of Environmental Health Services issued a permit for the project, Permit No. 18,465, on December 14, 2009. Staff recommended that the project and its funding be approved.

FINDINGS OF FACT

1. On May 14, 2010, the City of Lewisburg filed with the Public Service Commission an application for a certificate of convenience and necessity to construct certain additions and improvements to its water collection system, consisting of 240 linear feet of 12-inch water line; 5,100 linear feet of 8-inch waterline; 1,010 linear feet of 2-inch water line; 3,115 linear feet of 1-inch and 3/4-inch service line; fire hydrants; and appurtenances. (See application; Final Joint Staff Memorandum filed August 6, 2010).

2. The City published a Notice of Filing on May 20, 2010, in The West Virginia Daily News, published in Greenbrier County, and no protest was filed. (See filing of July 1, 2010; Commission file).

3. The City's collection system is old (some pipes over one hundred years old) and leaking; its unaccounted-for water rate is 41.8%, and its treatment plant operates more than twenty hours per day. The project is needed to lower the unaccounted-for water rate and the number of hours per day the plant is run and, therefore, reduce costs. (See Final Joint Staff Memorandum).

4. The total estimated cost of the project is $2,165,150, including an estimated construction cost of $1,775,400; the costs of the project are reasonable. (See Final Joint Staff Memorandum).

5. The project has been approved by the West Virginia Infrastructure and Jobs Development Council and will be financed by a $2,165,150 loan from WVIJDC, payable over twenty years at an annual interest rate of 3%. (See Final Joint Staff Memorandum).

6. The City enacted an ordinance raising its water rates by 20%, effective July 2, 2010, which will be adequate to cover the City's operating costs and its debt coverage. (See Final Joint Staff Memorandum).

7. The West Virginia Office of Environmental Health Services issued a permit for the project, Permit No. 18,465, on December 14, 2009. (See application; Final Joint Staff Memorandum).

8. Staff recommended that the project and its funding be approved. (See Final Joint Staff Memorandum).

CONCLUSIONS OF LAW

1. It is appropriate to grant the application, pursuant to W.Va. Code §24-2-11, and to approve the project, because the public convenience and necessity require it and no protest to it was filed.

2. It is appropriate to approve the project's financing.

ORDER

IT IS, THEREFORE, ORDERED that the application filed on May 14, 2010, by the City of Lewisburg for a certificate of convenience and necessity to upgrade and to construct additions and improvements to its water collection system, be, and hereby is, granted.

IT IS FURTHER ORDERED that the funding for the project, consisting of a $2,165,150 loan from the West Virginia Infrastructure and Jobs Development Council, payable over twenty years at 3% per annum interest, is approved.

IT IS FURTHER ORDERED that, if there is any change in the cost of the project, estimated at $2,165,150, which affects rates, or in the scope, design or funding of the project, the City of Lewisburg file a petition with the Commission for approval of such revisions.

IT IS FURTHER ORDERED that the City of Lewisburg comply with all rules and regulations of the Division of Highways regarding the use of rights-of-way.

IT IS FURTHER ORDERED that, if there are any changes in the project costs that do not affect rates, the City of Lewisburg file herein an affidavit duly executed by its accountant verifying that the City's rates and charges are not affected.

IT IS FURTHER ORDERED that the City of Lewisburg submit a copy of the bids to the Commission, making the bids a part of the Commission's file in this case, as soon as the bids are tabulated.

IT IS FURTHER ORDERED that the City of Lewisburg notify the Commission when its engineer has performed the substantial completion inspection and file a certificate of substantial completion as soon as it is available.

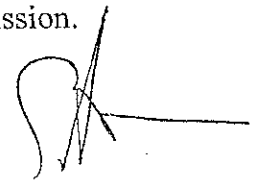
IT IS FURTHER ORDERED that this matter be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this order upon all parties by electronic service, if they have filed an e-service agreement with the Commission; by United States Certified Mail, return receipt requested, if they have not filed an e-service agreement with the Commission; and upon Commission Staff by hand delivery.

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

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

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



Sunya Anderson
Administrative Law Judge

SA:s
100698a.wpd

Affidavit of filing

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 one (1) issues of said newspaper, dated

20 May 2010

Given under my hand this 22nd day of June, 2010

Louise Bassett
Editor or Publisher

Subscribed and sworn to before me this 22nd day of June, 2010.

My commission expires Sept 11 2010

Judy Steele, Notary Public

Publication Fee: $ 215.25

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JUDY STEELE
302 ALDERSON STREET
LEWISBURG, WEST VIRGINIA 24901
MY COMMISSION EXPIRES SEPTEMBER 11, 2010

100698scc051410.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

ntered by the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA, in the City of
n, on the 14th day of May 2010.

D. 10-0698-W-CN

/ LEWISBURG
pplication for a certificate of convenience
d necessity to construct certain additions
d improvements to its existing waterworks
ystem; and for approval of the financing thereof.

NOTICE OF FILING

n May 14, 2010, the City of Lewisburg (City) filed an application for a Certificate of
ce and necessity to construct certain additions and improvements to its existing
ks system in Greenbrier County. The City proposes to construct certain additions,
nts and improvements to its existing waterworks facilities consisting of the installation of
feet of 12", 5,100 linear feet of 8" and 1,010 linear feet of 2" PVC potable water line, 830
of 1" and 2,285 linear feet of 3/4" service line, gate valves, fire hydrants, service
tions, and appurtenances relating thereto in and around downtown Lewisburg (Project).
cation is on file with and available for public inspection at the Public Service Commission
ks Street, in Charleston, West Virginia.

e City estimates that the Project will cost approximately $2,165,150.00. It is proposed that
ion will be financed by a West Virginia Infrastructure and Jobs Development Council loan
ount of $2,165,150.00.

e City anticipates charging the following water rates for its customers:

PLICABILITY
Applicable in entire territory served.

/AILABILITY OF SERVICE
ailable for general domestic, commercial and industrial and sale for bulk water service.

(customers with metered water supply)

First	20,000	gallons used per month	$7.55 per 1,000 gallons
Next	60,000	gallons used per month	$5.29 per 1,000 gallons
All over	80,000	gallons used per month	$3.66 per 1,000 gallons

IUM CHARGE
ill will be rendered for less than $15.10 per month, which is equivalent to 2,000
ns or:

5/8 inch meter	$15.10	per month
1 inch meter	$37.74	per month
1½ inch meter	$75.48	per month
2 inch meter	$120.77	per month
3 inch meter	$226.44	per month
4 inch meter	$377.40	per month
6 inch meter	$754.80	per month
8 inch meter	$1,207.68	per month

ATE
ater for bulk purchase will be billed in accordance with the approved rate of $6.00
1,000 gallons.

ATE
cordance with the Public Service Commission of West Virginia's Rules and
lations, the following leak rate shall be used:

s adjusted in accordance with Leak Policy $1.13 per 1,000 gallons.

ED PAYMENT PENALTY
bove tariff is net. On all accounts not paid in full when due, ten percent (10%) will
ded to the net current amount unpaid. This delayed payment penalty is not interest
l only to be collected only once for each bill where it is appropriate.

NNECTION OF WATER SERVICE FOR NON-PAYMENT OF BILL
y bill is determined to be delinquent in accordance with the Public Service
mission of West Virginia's Rules and Regulations, water service to the customer
e disconnected. Water service will not be restored until all delinquent amounts and
e fees have been paid in full in accordance with the applicable Rules and
lations of the Public Service Commission of West Virginia.

r water service has been disconnected, a disconnect fee of $20.00 shall be charged.

RECONNECTION FEES
Whenever water service which has been previously disconnected for any reaso
reconnected, a reconnection fee of $20.00 shall be charged.

CONNECTION CHARGE
There shall be a charge for each new connection to the system in accordance with
following schedule:

5/8"	$ 500.00
1"	$ 700.00
1½"	$2,000.00
2"	$2,500.00

New connections in excess of 2" and connections for fire service will be based upon
actual costs of making such connection.

SECURITY DEPOSITS
A refundable security deposit shall be charged to all customers in the amount of $50.
Deposits paid by customers shall be refunded in accordance with the rules
regulations of the Public Service Commission of West Virginia, with the exception
security deposits paid by renters shall be refunded after their final bill has been paid

CUSTOMER CONVENIENCE OR SEASONAL TURN ON OR OFF
There will be a $20.00 charge for each visit to the customer's premises for such turn
or off requests.

TESTING OR REPLACEMENT OF METER AT CUSTOMER REQUEST
Upon request of any customer of the system, the City will test or replace the custome
water meter as soon as is reasonably possible, and if the meter is found to be defect
the customer's account will be adjusted accordingly. If the meter is found to be accur
within the prescribed guidelines of the Public Service Commission of West Virginia, th
the customer's account will receive no adjustment and will be billed a charge of $25.
for this service.

FIRE PROTECTION (Private)
For each hydrant, sprinkler and/or hose connection located on private property exclusi
of those customers with whom the City has an existing special contract for water servi

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

RETURNED 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.

Resale customers of the City include the Town of Ronceverte.

The increases shown are based on averages of all customers in the indicated class. Individu
customers may receive increases that are greater or less than average. Furthermore, the request
rates and charges are only a proposal and are subject to change (increases or decreases) by
Public Service Commission in its review of this filing.

Pursuant to W. Va. Code §24-2-11, IT IS ORDERED that the City of Lewisburg give noti
of the filing of said application, by publishing a copy of this order once in a qualified newspap
as provided in W. Va. Code §59-3-1 et seq. published and of general circulation in Greenbri
County, making due return to this Commission of proper certification of publication immediate
after publication. Anyone desiring to protest or intervene should file a written protest or notice
intervention within 30 days following the date of this publication unless otherwise modified
Commission order. Failure to timely protest or intervene can affect your right to protest aspects
this certificate case, including any associated rate increases, or to participate in future proceeding
All protests or requests to intervene should briefly state the reason for the protest or intervenio
Requests to intervene must comply with the Commission's rules on intervention set forth in t
Commission's Rules of Practice and Procedure. All protests and interventions should be address
to Sandra Squire, Executive Secretary, P. O. Box 812, Charleston, West Virginia 25323.

IT IS FURTHER ORDERED that if there is no substantial protest to the Application receiv
within said thirty day period, the Commission may waive formal hearing and grant the applicati
based on the evidence submitted with said application and its review thereof.

Sandra Squire

SS/cg
100698a.wpd

WEST VIRGINIA
Infrastructure & Jobs Development Council

Gov. Joe Manchin, III
Chairman

Kenneth Lowe, Jr.
Public Member

Dwight Calhoun
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Barbara J. Pauley
Administrative Secretary

May 6, 2010

The Honorable John Manchester
Mayor, City of Lewisburg
P.O. Box 548
Lewisburg, WV 24901

Re: City of Lewisburg
Water Project 2009W-1118b Binding Commitment
(Action Required by May 31, 2010)

Dear Mayor Manchester:

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) provides this binding offer of an Infrastructure Fund loan of approximately $2,165,150 (Loan) to the City of Lewisburg (City) for the above referenced water project (Project). The Loan will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan amount will be established after the City has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Loan upon the City's compliance with the program requirements.

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

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

If the District has any questions regarding this commitment, please contact Angela K. Chestnut at 304-558-4607 (X201).

Sincerely,

Kenneth Lowe, Jr.

Attachments

cc: Bob Decrease, P.E., BPH (w/o enclosure) *(via e-mail)*
Greg Belcher, P.E., Chapman Technical Group *(via e-mail)*
W. D. Smith, Region IV Planning & Development Council *(via e-mail)*
Samme Gee, Esq., Jackson Kelly *(via e-mail)*

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

City of Lewisburg

By: _____

Its: _____

Date: _____

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

City of Lewisburg
Water Project 2009W-1118b
May 6, 2010

SCHEDULE A

A. Approximate Amount: $2,165,150 Loan

B. Loan: $2,165,150

1. Maturity Date: 20 years from date of closing.
2. Interest Rate: 3%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.
5. Special Conditions: None

NOTICE: The terms set forth above are subject to change following the receipt of construction bids.

C. Other Funding: CWSRF "Green Reserve" ARRA grant $4,565,000

D. Total Project Cost: $4,148,000

E. Proposed User Rates: Approximately $30.19 / 4000 gallons

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

On this 2nd day of December, 2010, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Mayor of the City of Lewisburg (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the entire original issue of $1,482,000 principal amount of the Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds"), issued as a single, fully registered Bond, numbered AR-1, and dated December 2, 2010.

2. At the time of such receipt of the Bonds upon original issuance, the Bonds had been executed by the Mayor and the Recorder of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Bonds, of the sum of $236,338.57, 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 by the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council as acquisition and construction of the Project progresses.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first above written.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: _____
Its: Authorized Representative

CITY OF LEWISBURG

By: _____
Its: Mayor

10.28.10
522450.00006

5395461

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 2nd day of December, 2010, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the City of Lewisburg Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), in the principal amount of $1,482,000, dated December 2, 2010 (the "Bonds"), executed by the Mayor and the Recorder of the City of Lewisburg (the "Issuer"), and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Ordinance duly enacted by the Issuer on October 19, 2010, and a Supplemental Resolution duly adopted by the Issuer on November 16, 2010 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-captioned Bond issue, duly certified by the Recorder of the Issuer;

(3) Executed counterparts of the loan agreement dated December 2, 2010 (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council; and

(4) An executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of $236,338.57, representing a portion of the principal amount of the Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated as of the date first written above.

CITY OF LEWISBURG

By: _____
Its: Mayor

10.29.10
522450.00006

5395468

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2010 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $1,482,000

KNOW ALL MEN BY THESE PRESENTS: That on the 2nd day of December, 2010, 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 special funds provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns the sum of ONE MILLION FOUR HUNDRED EIGHTY TWO DOLLARS ($1;482,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as Exhibit A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2012, to and including March 1, 2032 as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference with interest of 3% payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2012, to and including March 1, 2032 as set forth on the "Debt Service Schedule" attached as Exhibit B hereto and incorporated herein by reference.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent"). The interest on this bond is payable by check or draft of the Paying Agent mailed to the registered owner hereof at the address as it appears on the books of The Huntington National Bank, Charleston, West Virginia, as registrar (the "Registrar"), on the 15th day of the next month preceding an interest payment date, or such other method as shall be mutually agreeable so long as the Authority is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated December 2, 2010.

This Bond is issued (i) to pay the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the public waterworks system of the Issuer (the "Project"); (ii) to fund the Series 2010 A Bonds Reserve Account; and (iii) to pay certain costs of issuance hereof and related costs. The existing public waterworks system of the Issuer, the Project, and any further extensions, 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 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Ordinance duly enacted by the Issuer on October 19, 2010, and a Supplemental Resolution duly adopted by the Issuer on November 16, 2010 (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 REVENUE BONDS, SERIES 1975 (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED DECEMBER 22, 1976, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $450,000(THE "SERIES 1975 BONDS"); (II) WATER REVENUE BONDS, SERIES 1982 A (UNITED STATES DEPARTMENT OF AGRICULTURE), DATED OCTOBER 5, 1982, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $2,200,000 (THE "SERIES 1982 A BONDS"); (III) WATER REVENUE BONDS, SERIES 2009 A (BRANCH BANKING & TRUST COMPANY), DATED MARCH 22, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,000,000 (THE "SERIES 2009 A BONDS"); AND (IV) WATER REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM), DATED JANUARY 27, 2010, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,982,850 (THE "SERIES 2010 B 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 2010 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 hereon, except from said special fund provided from the Gross Revenues, the monies in the Series 2010 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 on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that, so long as there exists in the Series 2010 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain

further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar 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 described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

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

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

[Remainder of Page Intentionally Blank]

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]

SPECIMEN

Mayor

ATTEST:

SPECIMEN

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 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: December 2, 2010.

THE HUNTINGTON NATIONAL BANK,
as Registrar

By: SPECIMEN
Its: Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$236,338.57	12/02/10	(19)		
(2)			(20)		
(3)			(21)		
(4)			(22)		
(5)			(23)		
(6)			(24)		
(7)			(25)		
(8)			(26)		
(9)			(27)		
(10)			(28)		
(11)			(29)		
(12)			(30)		
(13)			(31)		
(14)			(32)		
(15)			(33)		
(16)			(34)		
(17)			(35)		
(18)			(36)		

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

City of Lewisburg

IF

3% Interest Rate

20 Years

Dated Date 12/2/2010

Delivery Date 12/2/2010

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2012	13,740	3.000%	11,115.00	24,855.00
9/1/2012	13,740	3.000%	11,011.95	24,751.95
12/1/2012	13,740	3.000%	10,908.90	24,648.90
3/1/2013	13,742	3.000%	10,805.85	24,547.85
6/1/2013	14,157	3.000%	10,702.79	24,859.79
9/1/2013	14,157	3.000%	10,596.61	24,753.61
12/1/2013	14,157	3.000%	10,490.43	24,647.43
3/1/2014	14,159	3.000%	10,384.25	24,543.25
6/1/2014	14,587	3.000%	10,278.06	24,865.06
9/1/2014	14,587	3.000%	10,168.66	24,755.66
12/1/2014	14,587	3.000%	10,059.26	24,646.26
3/1/2015	14,587	3.000%	9,949.85	24,536.85
6/1/2015	15,030	3.000%	9,840.45	24,870.45
9/1/2015	15,029	3.000%	9,727.73	24,756.73
12/1/2015	15,029	3.000%	9,615.01	24,644.01
3/1/2016	15,031	3.000%	9,502.29	24,533.29
6/1/2016	15,486	3.000%	9,389.56	24,875.56
9/1/2016	15,485	3.000%	9,273.41	24,758.41
12/1/2016	15,485	3.000%	9,157.28	24,642.28
3/1/2017	15,487	3.000%	9,041.14	24,528.14
6/1/2017	15,955	3.000%	8,924.99	24,879.99
9/1/2017	15,955	3.000%	8,805.32	24,760.32
12/1/2017	15,955	3.000%	8,685.66	24,640.66
3/1/2018	15,957	3.000%	8,566.00	24,523.00
6/1/2018	16,440	3.000%	8,446.32	24,886.32
9/1/2018	16,439	3.000%	8,323.02	24,762.02
12/1/2018	16,439	3.000%	8,199.73	24,638.73
3/1/2019	16,441	3.000%	8,076.44	24,517.44
6/1/2019	16,938	3.000%	7,953.13	24,891.13
9/1/2019	16,938	3.000%	7,826.09	24,764.09
12/1/2019	16,938	3.000%	7,699.06	24,637.06
3/1/2020	16,940	3.000%	7,572.02	24,512.02
6/1/2020	17,452	3.000%	7,444.97	24,896.97
9/1/2020	17,452	3.000%	7,314.08	24,766.08
12/1/2020	17,452	3.000%	7,183.19	24,635.19
3/1/2021	17,453	3.000%	7,052.30	24,505.30
6/1/2021	17,982	3.000%	6,921.41	24,903.41
9/1/2021	17,981	3.000%	6,786.54	24,767.54
12/1/2021	17,981	3.000%	6,651.68	24,632.68
3/1/2022	17,984	3.000%	6,516.83	24,500.83
6/1/2022	18,527	3.000%	6,381.95	24,908.95
9/1/2022	18,527	3.000%	6,242.99	24,769.99
12/1/2022	18,527	3.000%	6,104.04	24,631.04
3/1/2023	18,529	3.000%	5,965.09	24,494.09

BOND DEBT SERVICE

City of Lewisburg

IF

3% Interest Rate

20 Years

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2023	19,090	3.000%	5,826.12	24,916.12
9/1/2023	19,089	3.000%	5,682.95	24,771.95
12/1/2023	19,089	3.000%	5,539.78	24,628.78
3/1/2024	19,091	3.000%	5,396.61	24,487.61
6/1/2024	19,668	3.000%	5,253.43	24,921.43
9/1/2024	19,668	3.000%	5,105.92	24,773.92
12/1/2024	19,668	3.000%	4,958.41	24,626.41
3/1/2025	19,671	3.000%	4,810.90	24,481.90
6/1/2025	20,266	3.000%	4,663.37	24,929.37
9/1/2025	20,265	3.000%	4,511.37	24,776.37
12/1/2025	20,265	3.000%	4,359.38	24,624.38
3/1/2026	20,267	3.000%	4,207.40	24,474.40
6/1/2026	20,880	3.000%	4,055.39	24,935.39
9/1/2026	20,880	3.000%	3,898.79	24,778.79
12/1/2026	20,880	3.000%	3,742.19	24,622.19
3/1/2027	20,882	3.000%	3,585.59	24,467.59
6/1/2027	21,514	3.000%	3,428.98	24,942.98
9/1/2027	21,514	3.000%	3,267.62	24,781.62
12/1/2027	21,514	3.000%	3,106.27	24,620.27
3/1/2028	21,514	3.000%	2,944.91	24,458.91
6/1/2028	22,166	3.000%	2,783.56	24,949.56
9/1/2028	22,166	3.000%	2,617.31	24,783.31
12/1/2028	22,166	3.000%	2,451.07	24,617.07
3/1/2029	22,169	3.000%	2,284.82	24,453.82
6/1/2029	22,840	3.000%	2,118.56	24,958.56
9/1/2029	22,839	3.000%	1,947.26	24,786.26
12/1/2029	22,839	3.000%	1,775.96	24,614.96
3/1/2030	22,840	3.000%	1,604.67	24,444.67
6/1/2030	23,533	3.000%	1,433.37	24,966.37
9/1/2030	23,532	3.000%	1,256.87	24,788.87
12/1/2030	23,532	3.000%	1,080.38	24,612.38
3/1/2031	23,533	3.000%	903.89	24,436.89
6/1/2031	24,247	3.000%	727.40	24,974.40
9/1/2031	24,246	3.000%	545.54	24,791.54
12/1/2031	24,246	3.000%	363.70	24,609.70
3/1/2032	24,247	3.000%	181.85	24,428.85
	1,482,000		**494,082.92**	**1,976,082.92**

(Form of)

ASSIGNMENT

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

Dated: _____, 20___.

_____

In the presence of:

_____

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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

Writer's Contact Information

December 2, 2010

City of Lewisburg
Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

City of Lewisburg
Lewisburg, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
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 $1,482,000 Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated December 2, 2010, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing interest at a rate of 3% per annum, with principal and interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2012, to and including March 1, 2032, all as set forth in "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 8, Article 19 and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public water system of the Issuer (the "Project"); (ii) funding the Series 2010 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 October 19, 2010, as supplemented by a Supplemental Resolution duly adopted

by the Issuer on November 16, 2010 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer set forth in the Bond Legislation and in certain certificates delivered in connection with the issuance of the Bonds, we are of the opinion, under existing law, that:

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Gross Revenues of the System referred to in the Bond Legislation and secured by a first lien on and pledge of the Gross Revenues of the System on a parity with the Issuer's: (i) Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original aggregate principal amount of $450,000 (the "Series 1975 Bonds"); (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the original aggregate principal amount of $2,200,000 (the "Series 1982 A Bonds"); (iii) Water Revenue Bonds, Series 2009 A (Branch Banking & Trust Company), dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000 (the "Series 2009 A Bonds"); and (iv) Water Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds").

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.

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

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,

STEPTOE & JOHNSON PLLC

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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

December 2, 2010

City of Lewisburg
Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

City of Lewisburg
Lewisburg, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
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 above-captioned bond issue. As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a loan agreement dated December 2, 2010, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), a Bond Ordinance duly enacted by the Issuer on October 19, 2010, as supplemented by a Supplemental Resolution duly adopted by the Issuer on November 16, 2010 (collectively, the "Bond Legislation"), and other documents relating to the above-captioned Bonds of the Issuer (the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

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

2. The Bond Legislation has been duly adopted and enacted by the Issuer and is in full force and effect.

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

4. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any 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. The Issuer has received all permits, licenses, approvals, exemptions, consents, registrations, certificates and authorizations required by law for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, the receipt of all requisite orders and approvals from the West Virginia Bureau for Public Health, the West Virginia Infrastructure and Jobs Development Council and the Public Service Commission of West Virginia, and has taken any other action required for the imposition of such rates and charges, including, without limitation, the enactment of ordinances prescribing such rates and charges. The time for appeal of such rate ordinances has expired prior to the date hereof without any appeal.

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

7. I have ascertained that all successful bidders have provided the drug-free workplace affidavit, submitted their drug free workplace plan, and the contracts contain language that comply with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. All successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon my review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, I am of the opinion that such surety bonds and policies (i) are in compliance with the contracts; (ii) are adequate in form, substance and amount to protect the various interests of the Issuer; (iii) have been executed by duly authorized representatives of the proper parties; (iv) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (v) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,

Jesse O. Guills, Jr.

522450.00006

STEPTOE & JOHNSON PLLC
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Writer's Contact Information

December 2, 2010

City of Lewisburg
Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

City of Lewisburg
Lewisburg, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

We are special counsel to the City of Lewisburg, a municipality in Greenbrier County, West Virginia (the "Issuer"). As such counsel, we have represented the Issuer before the Public Service Commission of West Virginia in connection with the issuance of the above-referenced bonds, and the acquisition and construction of the Project. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

We are of the opinion that the Issuer has received the Recommended Decision of the Public Service Commission of West Virginia entered on August 19, 2010 which became Final Order on September 8, 2010, in Case No.10-0698-W-CN, granting the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has expired prior to the date hereof. Such Order remains in full force and effect.

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

Very truly yours,

STEPTOE & JOHNSON, PLLC

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JESSE O. GUILLS, JR. PLLC
Attorney at Law

117 North Court Street
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August 31, 2010

City of Lewisburg
942 Washington Street, West
Lewisburg, West Virginia 24901

West Virginia Infrastructure and Jobs Development Council
180 Association Drive
Charleston, West Virginia 25311

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

RE: City of Lewisburg Downtown Water
Line Replacement Project 2009W-1118b

Dear Ladies & Gentlemen:

This firm represents the City of Lewisburg (the "City") with regard to a proposed project to construct certain additions and improvements to its water system, known as the Downtown Water Line Replacement Project, together with all appurtenant facilities (the "Project"), and provides this final title opinion on behalf of the City to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council (the "Council") with regard to the financing proposed for the Project. Please be advised of the following:

1. That I am of the opinion that the City is a duly created and existing municipality possessed with all the powers and authority granted to municipalities under the laws of the State of West Virginia and has the full power and authority to construct, operate, and maintain the Project as approved by the Bureau for Public Health.

2. That the City has obtained approval for all necessary permits and approvals for the construction of the Project, except and subject to the following:

The City is awaiting an order from the Public Service Commission of West Virginia for issuance of a Certificate of Convenience and Necessity. The ALJ's decision due date is set at September 27, 2010. Staff has issued the Final Joint Staff Memorandum dated August 6, 2010 recommending approval.

8-31-10; 2:18PM;GUILLS / VIA ;13046453314 # 2/3

3. That I have investigated and ascertained the location of and am familiar with the legal description of the necessary sites, including easements and /or rights-of-way, required for the Project as set forth in the plans for the Project prepared by Chapman Technical Group, the consulting engineers for the Project.

4. That I have examined the records on file in the Office of the Clerk of the County Commission of Greenbrier County, West Virginia, the county in which the Project is to be located, and, in my opinion, the City has already acquired legal title or such other estate or interest in the necessary site components for the Project, including 100% of the easements and /or rights-of-way, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facilities to be constructed.

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

Very truly yours,

Jesse O. Guills, Jr.

JOG/cac

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. INSURANCE
12. VERIFICATION OF SCHEDULE
13. RATES
14. SIGNATURES AND DELIVERY
15. BOND PROCEEDS
16. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
17. PUBLIC SERVICE COMMISSION ORDERS
18. SPECIMEN BOND
19. CONFLICT OF INTEREST
20. COMPLIANCE WITH WEST VIRGINIA JOBS ACT
21. EXECUTION OF COUNTERPARTS

On this 2nd day of December, 2010, we, the undersigned MAYOR and RECORDER of the City of Lewisburg in Greenbrier County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify in connection with the City of Lewisburg Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds" or the "Series 2010 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 in the Bond Ordinance of the Issuer duly enacted October 19, 2010, and the Supplemental Resolution duly adopted November 16, 2010 (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 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 moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the pledge or application of moneys and security or the collection of the Gross Revenues.

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 and the issuance of the Bonds have been obtained and remain in full force and effect, and competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery by the Issuer of the Loan Agreement, and the Issuer has met all conditions prescribed in the loan agreement (the "Loan Agreement") entered into by and between the Issuer and the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"). The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete and operate the Project.

There are outstanding obligations of the Issuer which will rank on a parity with the Series 2010 A Bonds as to liens, pledge and source of and security for payment, being the Issuer's (i) Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original aggregate principal amount of $450,000 (the "Series 1975 Bonds"); (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the original aggregate principal amount of $2,200,000 (the "Series 1982 A Bonds"); (iii) Water Revenue Bonds, Series 2009 A (Branch Banking & Trust Company), dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000 (the "Series 2009 A Bonds"); and (iv) Water Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds").

The Series 2010 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 respects. The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds are met, and (ii) the written consent of the Holders of the Series 1975 Bonds, Series 1982 A Bonds and Series 2010 B Bonds to the issuance of the Series 2010 A Bonds on a parity with the Series 1975 Bonds, Series 1982 A Bonds and Series 2010 B Bonds. The Series 2009 A Bonds do not need consent. 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 the covenants of the Prior Bonds and the Prior Ordinance.

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

Loan Agreement

Public Service Commission Order

Infrastructure Council Approval

Charter and Rules of Procedure

Oaths of Office of Officers and Councilmembers

Water Rate Ordinance

Minutes on Adoption and Enactment of Water Rate Ordinance

Affidavits of Publication of Rate Ordinance and Notice of Public Hearing

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

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

Evidence of Insurance

Bureau for Public Health

Consent of USDA

Consent of WDA

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "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, qualified and acting, and whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
John Manchester, Mayor	July 1, 2009	June 30, 2011
Shannon Ninnemann, Recorder	July 1, 2009	June 30, 2011
Beverly White, Councilperson	July 1, 2009	June 30, 2011
Mark Etten, Councilperson	July 1, 2009	June 30, 2011
Wade McClure, Councilperson	July 1, 2009	June 30, 2011
Mark Bowe, Councilperson	July 1, 2009	June 30, 2011
Andrew Evans, Councilperson	July 1, 2009	June 30, 2011

The duly appointed and acting Counsel to the Issuer is Jesse Guiles, 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, operation and financing of the Project or the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, 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. The successful bidders have provided the Drug-Free Workplace Affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code. All insurance for the System required by the Bond Legislation is in full force and effect.

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

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

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

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

13. RATES: The Issuer has duly enacted a water rate ordinance on May 18, 2010 setting forth the respective rates and charges for the services of the System. The time for appeal of such rate ordinance has expired prior to the date hereof without any appeal, and such rate ordinance is currently in effect.

14. 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 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 her manual signature, and the Registrar did officially authenticate, register and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal of the Issuer is also impressed above the signatures appearing on this certificate.

15. BOND PROCEEDS: On the date hereof, the Issuer received $236,338.57 from the Authority and the Council, 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.

16. 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 newspaper published and of general circulation 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 the Governing Body on the 19th day of October, 2010, at 7:30 pm, 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.

17. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia in Case No. 10-0698-W-CN entered on August 19, 2010 which became Final Order on September 8, 2010, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project. The time for appeal of the Final Order has expired prior to the date hereof. Such Order is in full force and effect.

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

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

20. COMPLIANCE WITH WEST VIRGINIA JOBS ACT: Unless it shall hereafter be qualified for an exception, the Issuer herby covenants to comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the "West Virginia Jobs Act") and will require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Issuer hereby certifies to the Authority that (i) the Issuer will comply with all the requirements of the West Virginia Jobs Act; (ii) the Issuer has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (iii) the Issuer has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (iv) the Issuer will file with the DOL and the Authority copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL.

21. 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 Left Blank]

WITNESS our signatures and the official seal of the CITY OF LEWISBURG as of the date first written above.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Mayor
_____	Recorder
_____	Counsel to Issuer

11.03.10
522450.00006

WITNESS our signatures and the official seal of the CITY OF LEWISBURG as of the date first written above.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Mayor
	Recorder
	Counsel to Issuer

11.03.10
522450.00006

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

On this 2nd day of December, 2010, I, Robert G. Belcher, Registered Professional Engineer, West Virginia License No.13093, of Chapman Technical Group, Inc., 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 water system (the "System") of the City of Lewisburg (the "Issuer"), to be constructed in Greenbrier County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (the "Series 2010 A Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meanings set forth in the Bond Ordinance enacted by the Issuer on October 19, 2010, and the Supplemental Resolution adopted by the Issuer on November 16, 2010, and the loan agreement dated December 2, 2010 (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council").

2. The Bonds are being issued for the purposes of (i) paying the costs of acquisition and construction of the Project; (ii) funding the Series 2010 A Bonds Reserve Account; and (iii) paying costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Council and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project is adequate for the purpose for which it was designed and has an estimated useful life of at least 40 years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing described in Schedule B, attached hereto as Exhibit A and the Issuer's counsel, Jesse O. Guills, Jr., Esquire, has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the successful bidders have provided the drug-free workplace affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; (vi) the bid documents relating to the Project reflect the Project as approved by the Council and the bid forms provided to the bidders contain the critical operational components of the Project; (vii) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (ix) the Issuer has obtained all applicable permits required by the laws of the State of West Virginia and the

United States necessary for the acquisition and construction of the Project and the operation of the System; (x) in reliance upon the certificate of Bassett and Lowe, as of the effective date thereof, the rates and charges for the System enacted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (xi) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the Council; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

4. The Project will serve no new customers.

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WITNESS my signature and seal as of the date first written above.

[SEAL]

CHAPMAN TECHNICAL GROUP, INC.

Robert G. Belcher, P.E.
West Virginia License No. 13093

522450.00006

SCHEDULE B

City of Lewisburg
Downtown Water Line Rpelacment Project

WVIJDC Proj. # 2009W-1118b

A. COST OF PROJECT	TOTAL	IJDC
1 Construction		
a. Contract No. 1 - Distribution Work	911,919.00	911,919.00
Contingency	91,192.00	91,192.00
2 Technical Services - CTG		
a. Engineering	329,000.00	329,000.00
3 Legal & Fiscal		
a. Legal (Land/RW) - Guills	5,000.00	5,000.00
b. Legal (PSC Filing) - Steptoe Johnson	8,000.00	8,000.00
c. Accounting (Rule 42) - Lowe	10,000.00	10,000.00
4 Right of Way Acquisition	0.00	0.00
5 Miscellaneous, permits, ads, etc	6,491.00	6,491.00
6 Total of Lines 1 through 5	1,361,602.00	1,361,602.00
B. COST OF FINANCING		
7 Capitalized Interest	0.00	0.00
8 Funded Reserve	99,898.00	99,898.00
9 Bond Counsel - S & J	20,000.00	20,000.00
10 Registrar	500.00	500.00
11 Total Cost of Financing (lines 7 through 10)	120,398.00	120,398.00
12 TOTAL PROJECT COST (line 6 plus line 11)	1,482,000.00	1,482,000.00
C. SOURCES OF FUNDS		
13 Federal Grants:	0.00	0.00
14 State/Other Grants	0.00	0.00
15 TOTAL GRANTS	0.00	0.00
16 Size of Bond Issue (line 12 minus line 15)	1,482,000.00	1,482,000.00

J. C. Manchester
City of Lewisburg

December 2, 2010
Date

Robert G. Belcher
Chapman Technical Group

December 2, 2010
Date

10/27/2010

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: rlowe@bassettlowe.com

December 2, 2010

City of Lewisburg
Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

City of Lewisburg
Lewisburg, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the water rate ordinance dated May 18, 2010 and the current operation and maintenance expenses and customer usage as furnished to us by the City of Lewisburg (the "Issuer"), it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system (the "System") of the Issuer, will (i) pay all repair, operation and maintenance expenses of the System, and (ii) leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Issuer's Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund) (the "Bonds"), to be issued to the West Virginia Water Development Authority in the principal amount of $1,482,000, and all other obligations secured by a lien on or payable from the revenues of the System, on a parity with the Bonds, including the Issuer's: (i) Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original aggregate principal amount of $450,000(the "Series 1975 Bonds"); (ii) Water Revenue Bonds, Series 1982 A (United States Department of Agriculture), dated October 5, 1982, issued in the original

aggregate principal amount of $2,200,000 (the "Series 1982 A Bonds"); (iii) Water Revenue Bonds, Series 2009 A (Branch Banking & Trust Company), dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000 (the "Series 2009 A Bonds"); and (iv) Water Revenue Bonds, Series 2010 B (West Virginia SRF Program), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850 (the "Series 2010 B Bonds") (collectively, the "Prior Bonds").

It is further our opinion that (i) the Net Revenues for the Fiscal Year following the year in which the Series 2010 A Bonds are issued will be at least 120% of the average annual debt service on the Prior Bonds and the Series 2010 A Bonds and that (ii) the Net Revenues actually derived from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of the Series 2010 A Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by the Series 2010 A Bonds, are not less than 115% of the largest aggregate amount that will mature and become due in any succeeding fiscal year for the principal of and interest on the Prior Bonds and the Series 2010 A Bonds.

Very truly yours,

Bassett & Lowe

BASSETT & LOWE

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

On this 2nd day of December, 2010, the undersigned Mayor of the City of Lewisburg in Greenbrier County, West Virginia (the "Issuer"), being the official of the Issuer duly charged with the responsibility for the issuance of $1,482,000 Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer, dated December 2, 2010 (the "Bonds" or the "Series 2010 A Bonds"), hereby certifies as follows:

1. I am the officer of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance duly enacted by the Issuer on October 19, 2010, as supplemented by Supplemental Resolution duly enacted by the Issuer on November 16, 2010, (collectively, the "Bond Ordinance"), authorizing the Bonds.

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

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on December 2, 2010, the date on which the Bonds are being physically delivered in exchange for a portion of the principal amount of the Series 2010 A Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

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

5. The Series 2010 A Bonds were sold on December 2, 2010, to the Authority, pursuant to a Loan Agreement dated December 2, 2010, by and among the Issuer, the Authority and the Council, for an aggregate purchase price of $1,482,000 (100% of par), at which time, the Issuer received

$236,338.57 from the Authority and the Council, being the first advance of the principal amount of the Series 2010 A Bonds. No accrued interest has been or will be paid on the Series 2010 A Bonds. The balance of the principal amount of the Series 2010 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2010 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public water of the Issuer (the "Project"), (ii) funding the series 2010 A Bonds reserve account; and (iii) paying certain costs of issuance of the Bonds and related costs.

7. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2010 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before March 1, 2012. The acquisition and construction of the Project is expected to be completed by September 1, 2011.

8. The total cost of the Project is estimated at $1,482,000. Sources and uses of funds for the Project are as follows:

SOURCES	
Proceeds of the Series 2010 A Bonds	$1,482,000
Total Sources	$1,482,000
USES	
Costs of Project	$1,362,686
Funding the Series 2010 A Reserve Account	98,814
Costs of Issuance	20,500
Total Uses	$1,482,000

9. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created relative to the Series 2010 A Bonds:

(1) Revenue Fund (established by Prior Ordinances);

(2) Renewal and Replacement Fund (established by Prior Ordinances);

(3) Series 2010 A Bonds Construction Trust Fund;

(4) Series 2010 A Bonds Sinking Fund; and

(5) Series 2010 A Bonds Reserve Account.

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

(1) From the proceeds of the Series 2010 A Bonds, there shall first be deposited with the Commission in the Series 2010 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2010 A Bonds for the period commencing on the date of issuance of the Series 2010 A Bonds and ending 6 months after the estimated date of completion of construction of the Project;

(2) Next, from the proceeds of the Series 2010 A Bonds, there shall be deposited with the Commission in the Series 2010 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2010 A Bonds Reserve Account.

(3) The remaining proceeds of the Series 2010 A Bonds shall be deposited in the Series 2010 A Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2010 A Bonds and related costs.

11. Moneys held in the Series 2010 A Bonds Sinking Fund will be used solely to pay principal of the Series 2010 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on moneys in the Series 2010 A Bonds Sinking Fund and Series 2010 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2010 A Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Ordinance.

12. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 9 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2010 A Bonds Reserve

Account, if any, all of the proceeds of the Bonds will be expended on the Project within 15 months from the date of issuance thereof.

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

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

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

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

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

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

21. The Bonds are not federally guaranteed.

22. The Issuer has retained the right to amend the Bond Ordinance authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain public purpose bonds.

23. The Issuer has either (a) funded the Series 2010 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2010 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2010 A Bonds Reserve Account hold an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Moneys in the Series 2010 A Bonds Reserve Account and the Series 2010 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay costs of the Project.

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

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

26. The Issuer will comply with instructions as may be provided by the Authority, at

any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

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

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WITNESS my signature as of the date first written above.

CITY OF LEWISBURG

By: _____
Its: Mayor

271720.00001

5395909

Charter

EXHIBIT

tabbies

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LAWS OF VIRGINIA, OCTOBER 1782 — 7th of COMMONWEALTH

CHAP. XVIII.

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, Andrew Donkeley, John Stewart, Archer Mathews, William Ward, and Thomas Dooley, 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 out 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 colony, 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.

Reprinted for City of Lewisburg Bi-Centennial 1982
From Hennings Statutes at Large, Vol. II.

CHAP. XVIII.

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, Andrew Donneley, John Stewart, Archer Matthews, William Ward, and Thomas Edgar, 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.

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.

§ 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.

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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 sam 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.

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

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 public 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

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.

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

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.

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

Each year the city council shall fix a date and hour between he seventh and twenty-eighth days of March, and at the time so ixed the council shall meet in public session in the council cham- er at the city building and then and there proceed with the ransaction of the business which is the subject of section 11- -14 of the Code of West Virginia. Upon completion of that busi- ess, the session shall stand adjourned until the same meeting hour n the next following third Tuesday in April, at which time it hall reconvene and the council shall proceed in conformity with he 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.

ec. 2-17. Same--Biennial organizational.

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

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.

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.

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.

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.

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 thereat 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.

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

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.

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 of 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

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.

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-

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.

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.

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 reveive 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.

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

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.

Sec. 2-55. Paid Holidays.

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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 suceeding 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 regularily 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.

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 shal 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 th 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;

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.

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; not withstanding 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.

Added 11/25/92 Art. VII Sec. 2-77-3

~~Article VII. Bolling Community Center~~

Sec. 2-77. Creation, Organization.

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 by 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; not withstanding 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.

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 §§8-5-8, 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.

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.

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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.

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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.

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

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-ye 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.

Amended 3/20/84

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.

Amended 3/20/84

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).

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

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). Convention 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

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". ed The full names of all candidates for the office of recorder shall be arranged 87 under the heading "Recorder". The full names of all candidates nominated for 93 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, ed shall keep a complete record of all their proceedings and ascertaining and 84 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.

Rules

Rules

Chapter 2

ADMINISTRATION

Regarding Building Inspector generally, see §5-3 of this Code. Regarding elections generally, see Chapter 6. Regarding Emergency Services generally, see Chapter 7. Regarding Director of Emergency Services, see §§7-4, 7-5. Regarding Fire Department, see §§8-34 to 8-36. Regarding Municipal Court generally, see Chapter. 11. Regarding Planning Commission, see Chapter 14. Regarding Police generally, see Chapter 15.

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§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.
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§2-23	Ordinances - Generally.
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Division 2. Specific Officers.

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Division 3. Miscellaneous Restrictions of Personnel

§2-37 Business dealings.
§2-38 Acceptance of gratuities.
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§2-40 Political activity.
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Article IV. Personnel Regulations.

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Section 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.

For State Law regarding authority of City to require official bonds of City officers, see WV Code, §8-12-5, subsection (46). For requirements that Municipal Officers who handle public funds give bond, see WV Code §6-2-11. Regarding bonds required of police officers, see WV Code §1-7-5. For bonds of public officers generally, see WV Code §6-2-1 et seq

Section 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 regarding authority of City Council, by ordinance, to fix compensation of City officers and employees, see WV Code, §8-5-12.

Section 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.

Section 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 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.

Section 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 WV Code, §§8-13-17, 2-2-4.

Section 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 regarding applicability of article 9, chapter 6 of the Code of West Virginia to municipalities, see WV Code, §8-13-18. Regarding approval of municipal fiscal records by chief inspector and supervisor of public officers, see WV Code §6-9-6.

Section 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 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.

Section 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 willfully 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.

Section 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.

Section 2-10. Establish an Administrative Fee for Processing Returned Checks.

An administrative fee of twenty-five dollars ($25.00) shall be charged for processing each returned check. This fee will be in addition to any and all fees charged by the bank or other parties.

Sections 2-11 to 2-14.

These sections reserved for future legislation.

Section 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 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 regarding 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 WV Code §8-9-1.

Section 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 WV Code, §11-8-14.

Section 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 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 regarding oath of office of municipal officers, see WV 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 regarding filling vacancies in elective municipal offices, see WV Code §8-5-10. For authority to adopt rules for the transaction of business and the government and regulation of municipal governing bodies, see WV Code §8-12-5, subsection (45).

Section 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.

For State Law regarding requirement for open meetings, with certain exceptions, of governing bodies of municipal corporations, etc., see WV Code Chapter 6, Article 9A.

Section 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.

Section 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.

Section 2-21. Recorder shall attend all meetings and keep journal of Council; taking of aye's and no's.

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 aye's and no's on any question shall be taken and entered upon the journal.

For State Law regarding journal and record of Council meetings and entry of yeas and nays in journal, see WV Code, §8-9-3. Regarding duty of Recorder to keep journal of proceedings of the Council, see WV Code, §8-10-3.

Section 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 regarding reading and correction of minutes of preceding meeting, see WV Code, §8-9-3.

Section 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.

Regarding effect of repeal or expiration of Ordinance, see §1-6 of this Code. Regarding general penalty for violation of Ordinances, see §1-7.

Section 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.

Section 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 regarding 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 regarding provide appropriate chapter, article, section, etc., numbers therefore; and each amendment of and addition to this Code shall be set out in full and appropriate chapter and article headings and section catch lines 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 there from 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.

Section 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 regarding show the date and number of the repealing or amendatory Ordinance or resolution, but shall not be removed from the Record of Resolutions.

Section 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 thereat 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.

Section 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, willful disturbance, or indecent conduct in the presence of such Council or committee while so engaged, or so near regarding 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) Willful 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 regarding authority of City Council to make all needful bylaws and rules to carry into effect the authority granted to it by law, see WV Code §§8-11-1, 8-12-5, subsections (45), (55). Regarding authority of City Council to investigate and inquire into all matters of concern to the City and its inhabitants, see WV Code §8-12-5, subsection (48). Regarding power of Council to compel attendance of witnesses and production of books and papers, see WV Code §8-12-2, subsection (C).

Article III. City Officers.

As to interfering with City officers and employees, see §13-7 of this Code. For impersonation of City officers and employees, see §13-10. Regarding courtesy from and to City officers and employees, see §13-11. Regarding police generally, see Chapter 15.

Division 1. Generally.

For State Law regarding oath of office, see WV Code, §6-1-3, 8-5-8. Regarding terms of office, see WV Code, §8-5-9. Regarding filling vacancies in elective offices, see WV Code §8-5-10. Regarding 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 WV Code, §8-5-11. Regarding compensation of officers and employees, see WV Code §8-5-12. Regarding procedure for removal from office, see WV Code, §6-6-7.

Section 2-29. Appointment and term of non-elective 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.

Section 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.

Section 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 of 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.

Section 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 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 regarding powers and duties of Mayors of municipal corporations, see WV Code §8-10-1.

Section 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 therefore 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 WV Code, §8-10-3.

Section 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 therefore, 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 regarding collection by City Treasurer of all taxes and other money due the City, see WV Code, §§8-13-15 and 8-13-16.

Section 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, acceptance 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.

Section 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.

Section 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.

Section 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.

Section 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 or employee's duties, or is incompatible with his municipal employment, or is likely to cast discredit upon or create embarrassment for the municipality.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 2-45. Vacation Leave. (amended 9-15-92)

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.

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

When a holiday falls on an employee's normal workday 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.

Section 2-47. Same - Terminal leave; payments in lieu of leave. (amended 9/27/85)

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 regarding 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 State.

Section 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 is terminated, no accumulated sick leave shall be granted. Sick leave regulations shall not apply to elected or appointed City officials.

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

Section 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.

Section 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.

Section 2-52. Maternity Leave. (amended 9/27/85)

An incapacity due to pregnancy shall be charged to the employees accumulated sick leave under the same conditions applying, to any illness.

Section 2-53. Leave of absence.

Leave of absence will not be approved under any circumstances.

Section 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.

Section 2-55. Paid Holidays. (amended 9/27/85)

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 therefore 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.

Section 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.

Section 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.

Section 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.

Section 2-59. Chairperson.

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.

Section 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.

Section 2-61. Powers.

The commission is authorized and empowered

(A) to co-operate, advise and work with the West Virginia Human Rights Commission;

(B) 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;

(C) 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;

(D) to encourage studies in matters and questions involving and regarding human rights and to compile and make public reports thereon;

Division 2. Library Board.

For State Law regarding Municipal libraries and library boards, see WV Code, Chapter 10, article 1.

Section 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.

Section 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 bylaws of the library board. No compensation shall be paid or allowed any director.

Section 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 bylaws 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.

Section 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.

Section 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; not withstanding the sufficiency of appropriations or public monies that may be derived from governmental bodies and the West Virginia Library Commission.

Section 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.

Section 2-68. Ordinance.

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

Division 3. Historic Landmark Commission.

Section 2-69.

See Chapter 14 of this Code.

Division 4. Planning Commission.

Section 2-70.

See Chapter 14 of this Code.

Division 5. Board of Park Commission.

For State Law regarding authority of Board of Park Commission, see WV Code, Chapter 8, article 21.

Section 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.

Section 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.

Section 2-73. Purpose. (Section 2-73 to 2-76 added 8/15/89)

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.

Section 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) Section 6B-1-1 through 5; and (2) Section 6B-2-5.

Section 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 Section 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 regarding 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.

Section 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

Section 2-77. Creation, Organization. (Art VII sec 2-77-83 added 11/25/92)

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.

Section 2-78. Board of Directors. (amended 5/18/93, REPEALED Art VII §§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 bylaws of the Organization, and may serve no more than two (2) consecutive terms. No compensation shall be paid or allowed any Director.

Section 2-79. Election of Officers. (amended 5/18/93)(repealed Art 7 Sec 2-77 - 2-83 10/19/93)

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 bylaws 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.

Section 2-80. Powers. (REPEALED Art VII §2-77 – 2-83 10/19/93)

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 by designated Advisory Commissioners.

Section 2-81. Contributions. (REPEALED Art VII §2-77 – 2-83 10/19/93)

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; not withstanding the sufficiency of appropriations or public monies that may be derived from governmental bodies.

Section 2-82. Annual Report. (REPEALED Art VII §2-77 – 2-83 10/19/93)

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.

Section 2-83. Constitution and Charter. (REPEALED Art VII §2-77 – 2-83 10/19/93)

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

Article VIII. Municipal Building Commission.

Section 2-84. Creating Municipal Building Commission.

This chapter is enacted pursuant to authority contained in the West Virginia Code, Chapter 8, Article 33, Section 1.

There is hereby adopted by the City Council a Municipal Building Commission.

The Building Commission, when created, shall be a public corporation, and shall have perpetual existence.

All property, powers, duties, and the management and control of the Building Commission shall be vested in a board consisting of representatives appointed by the City Council. Such board shall consist of not less than three nor more than five members. All members of the Building Commission shall be appointed for terms of five years. Prior to making the initial appointments to the Building Commission, the City Council shall make such initial appointments so that approximately one fifth of the total number of members of the Building Commission shall be appointed for a term of one year, approximately one fifth of the total number of members of the Building Commission shall be appointed for a term of two years, approximately one fifth of the total number of members of the Building Commission shall be appointed for a term of three years, approximately one fifth of the total number of members of the Building Commission shall be appointed for a term of four years, and approximately one fifth of the total number of members of the Building Commission shall be appointed for a term of five years. As the term of each such initial appointee expires, the successor to fill the vacancy created by such expired term shall be appointed for a term of five years.

If any member of the Building Commission should die, resign, or for any reason cease to be a member of the Building Commission, the City Council which such member represented, shall appoint another individual to fill the unexpired portion of the term of such member. No more than two thirds of the total number of members of the Building Commission shall be from the same political party, and no member of the Building Commission shall hold any office (other than the office of notary public) or employment under the United States of America, the State of West Virginia, any county or political subdivision thereof, or any political party. All members of the Building Commission shall be residents of the City of Lewisburg. No member of the Building Commission shall receive any compensation for his services as such, but each member shall be reimbursed by the Building Commission for any reasonable and necessary expenses actually incurred in the discharge of his duties as a member of the Building Commission.

The Building Commission shall have plenary power and authority to:

(A) Sue and be sued;

(B) Contract and be contracted with;

(C) Adopt, use, and alter a common seal;

(D) Make and adopt all necessary, appropriate, and lawful bylaws, rules, and regulations pertaining to its affairs;

(E) Elect such officers, appoint such committees and agents, and employ and fix the compensation of such employees and contractors as may be necessary for the conduct of the affairs and operation of the Building Commission;

(F) Acquire, purchase, own, and hold any property, real or personal, and acquire, construct, equip, maintain, and operate public buildings, structures, projects, and appurtenant facilities, of any type or types for which the City Council of Lewisburg creating the Building Commission is permitted by law to expend public funds (all hereinafter in this article referred to as facilities);

(G) Apply for, receive and use grants-in-aid, donations, and contributions from any source or sources, including but not limited to, the United States of America, or any department or agency thereof, and accept and use bequests, devises, gifts, and donations from any source whatsoever;

(H) Sell, encumber, or dispose of any property, real or personal;

(I) Issue negotiable bonds, notes, debentures, or other evidence in indebtedness, and provide for the rights of the holders thereof, incur any proper indebtedness and issue any obligations and give any security therefore which it may deem necessary or advisable in connection with exercising powers as provided herein;

(J) Raise funds by the issuance and sale of revenue bonds in the manner provided by the applicable provisions of Chapter 8 of the West Virginia Code, being: sections seven, ten, twelve, and sixteen [§§8-16-7, 8-16-10, 8-16-12, and 8-16-16], article sixteen, without regard to the extent provided in section five [§8-33-5] of this article, to the limitations specified in said section twelve [§8-16-12], article sixteen, it being hereby expressly provided that for the purpose of the issuance and sale of revenue bonds, the Building Commission is a governing body as that term is used in article sixteen [§8-16-1 et seq.] only.

(K) Subject to such reasonable limitations and conditions as the City Council may prescribe by Ordinance or by order, exercise the power of eminent domain in the manner provided by chapter fifty-four [§54-1-1 et seq.] of the West Virginia Code for business corporations, for the purposes set forth in subdivision (F) of this Ordinance, which purposes are hereby declared public purposes for which private property may be taken or damaged;

(L) Lease its property or any part thereof, for public purposes, to such persons and upon such terms as the Building Commission deems proper, but when the City of Lewisburg or the Greenbrier County Commission is a lessee under any such lease, such lease must contain a provision granting the City of Lewisburg or the Greenbrier County Commission the option to terminate such lease during any fiscal year covered thereby; and

(M) Do all things reasonable and necessary to carry out the foregoing powers.

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, 2005 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.

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

Minutes of City Council
Special Session
Organizational Meeting
June 29, 2009

The Council of the City of Lewisburg met in an Organizational Meeting on Monday, June 29, 2009 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 Wade McClure, Beverly White and Councilmember elect, Andrew Evans.

ABSENT: Council member Mark Etten, Mark Bowe and Vivian Conly

VISITORS: Reporters; Heather Blake of the *WV Daily News.*

CALL TO ORDER: Mayor Manchester called the meeting to order at 4:30 p.m.

Mayor Manchester and Recorder Ninnemann stated they would both vote on issues at this meeting in order to establish a quorum for voting.

Oath of Office

Mayor John Manchester administered the oath of office for newly elected Council member Andrew Evans, and re-elected City Recorder, Shannon Ninnemann and Council member Wade McClure.

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 or a quorum established. 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 or establish a quorum 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 or their designee will give committee reports at the Council meetings.

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 Andrew Evans would like to receive business cards.

13. Council will continue to be paid quarterly.

Mayor Manchester made a motion to adopt the rules as presented. Councilmember White seconded the motion. With 4 in favor and 3 absent (Bowe, Etten and Conly) the motion carried.

Councilmember McClure made a motion that Councilmember receive no enumeration for serving as Councilmembers. Hearing no second the motion died on the floor.

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	Janet Johnson
Municipal Court Clerk	Janet Johnson
Fire Chief	Wayne Pennington
City Attorney	Jesse O. Guills, Jr. and Stroebal and Johnson
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
Assistant City Administrator	Bonita Sienkiewicz

Council member White made a motion to accept the appointment of city officers as presented. Council member McClure seconded the motion. With 4 in favor and 3 absent (Bowe, Etten and 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 Mark Bowe	Chair-Council member McClure
All Council members	Councilmember Etten	Councilmember White
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 White seconded the motion. With 4 in favor and 3 absent (Bowe, Etten and Conly) the motion carried.

ADJOURNMENT: With no additional business to come before Councilmember White made a motion to adjourn the meeting at 5:10 p.m. Councilmember McClure seconded the motion. With 4 in favor and 3 absent (Bowe, Etten and Conly) the motion carried.

ORDINANCE 210

CITY OF LEWISBURG

AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE CITY OF LEWISBURG.

THE COUNCIL OF THE CITY OF LEWISBURG HEREBY ORDAINS: The following rules, rates and charges are hereby fixed, determined and established for municipal water services provided to all general domestic, commercial, industrial and bulk water users of the City of Lewisburg's Municipal Water System, commencing upon the effective date as hereinafter provided, and in accordance with the following Rates and Schedules:

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.

SECTION 1 – TARIFF

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, industrial and sale for bulk water service.

RATES (customers with metered water supply)

First	20,000 gallons used per month	$7.55 per 1,000 gallons
Next	60,000 gallons used per month	$5.29 per 1,000 gallons
All Over	80,000 gallons used per month	$3.66 per 1,000 gallons

MINIMUM CHARGE

No bill will be rendered for less than $15.10 per month, which is equivalent to 2,000 gallons or:

5/8	inch meter	$15.10	per month
1	inch meter	$37.74	per month
1 1/2	inch meter	$75.48	per month
2	inch meter	$120.77	per month
3	inch meter	$226.44	per month
4	inch meter	$377.40	per month
6	inch meter	$754.80	per month
8	inch meter	$1,207.68	per month

BULK RATE

All water for bulk purchase will be billed in accordance with the approved rate of $6.00 per 1,000 gallons.

LEAK RATE

In accordance with the Public Service Commission of West Virginia's Rules and Regulations, the following leak rate shall be used:

Leaks adjusted in accordance with Leak Policy $1.13 per 1,000 gallons

DELAYED PAYMENT PENALTY

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

DISCONNECTION OF WATER SERVICE FOR NON-PAYMENT OF BILL

If any bill is determined to be delinquent in accordance with the Public Service Commission of West Virginia's rules and regulations, water service to the customer may be disconnected. Water service is to be disconnected in accordance with the Public Service Commission of West Virginia's rules and regulations. 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 Public Service Commission of West Virginia.

Whenever water service has been disconnected, a disconnect fee of $20.00 shall be charged.

RECONNECTION FEE

Whenever water service which has been previously disconnected for any reason is reconnected, a reconnection fee of $20.00 shall be charged.

CONNECTION CHARGE

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

5/8"	$500.00
1"	$700.00
1 - 1/2"	$2,000.00
2"	$2,500.00

New connections in excess of 2" and connections for fire service will be based upon the actual costs of making such connection.

SECURITY DEPOSITS

A re-fundable security deposit shall be charged to all customers in the amount of $50.00. Deposits paid by customers shall be refunded in accordance with the rules and regulations of the Public Service Commission of West Virginia, with the exception that security deposits paid by renters shall be refunded after their final bill has been paid.

CUSTOMER CONVENIENCE OR SEASONAL TURN ON OR OFF

There will be a $20.00 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 Public Service Commission of West Virginia, 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 administrative fee. The city reserves the right to require cash payment.

SECTION 2 – EFFECTIVE DATE

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

SECTION 3 – SEVERABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are severable, and if any clause, provision or section hereof shall be held void or unenforceable by the Public Service Commission of West Virginia 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 repealed, and to the extent that the provisions of this Ordinance do not touch upon the provisions of prior ordinances, resolutions, orders or parts thereof, the same shall remain in full force and effect.

SECTION 4 – STATUTORY NOTICE AND PUBLIC HEARING

Upon introduction hereof, the City Recorder shall cause to be published a copy of this Ordinance in the *West Virginia Daily News* and *Mountain Messenger*, qualified newspapers of general circulation in the City of Lewisburg, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before the City Council on Tuesday, May 18, 2010, at 7:30 p.m., which date is not less than five (5) days after the date of the publication of the Ordinance and notice, and present any comment or protest thereto, following which hearing, Council shall take such action as it shall deem proper. Copies of this Ordinance shall be available to the public for inspection at the office of the City Recorder, City of Lewisburg, Lewisburg, West Virginia.

First Reading: May 4, 2010

Second Reading
and Public Hearing: May 18, 2010

CITY OF LEWISBURG, a municipal corporation

Mayor: J. C. Manchester

Recorder: Shannon Ninnemann, CMC

05.04.10
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Minutes of City Council
Special Session
May 4, 2010

The Council of the City of Lewisburg met in Special Session on Tuesday, May 4, 2010 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, Josh Baldwin, Mark Bowe, Andrew Evans, Mark Etten, and Beverly White

VISITORS: Reporters; Tina Alvey of the *Beckley Register Herald* and Peggy McKenzie of the *Mountain Messenger* and Greg Belcher of Chapman Technical Group

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

Ordinance 211

Mayor John Manchester explained that a rate increase was needed to address the cost of the downtown water line replacement project. He stated it was also necessary that positive cash flow be maintained to ensure the City will not have to pay high interest rates on borrowed money for water projects.

Mayor Manchester read the following ordinance by title for first reading:

> "AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE CITY OF LEWISBURG." ✓

Councilmember Evans made a motion to approve Ordinance 211 upon first reading. Councilmember White seconded the motion. With all in favor the motion carried.

Resolution Designating the City of Lewisburg a Recovery Zone

Recorder Ninnemann read the following resolution by title for passage:

> "A RESOLUTION DESIGNATING THE CITY OF LEWISBURG, WEST VIRGINIA, A RECOVERY ZONE FOR PURPOSES OF SECTIONS 1400U-1, 1400U-2 AND 1400U-3 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; DESIGNATING THE RECOVERY ZONE; PROVIDING FOR FUNDING APPROPIATION; PROVIDING FOR ELIGIBLE ACTIVITIES/PROJECTS FOR RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS; PROVIDING FOR ELIGIGLE ACTIVIES/PROJECTS FOR RECOVERY ZONE FACILITY BONDS; AUTHORIZING A REQUEST FOR ADDITIONAL CAP; PROVIDING FOR REIMBURSEMENT; PROVIDING FOR COMPLIANCE; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE."

Mayor Manchester explained that adoption of this resolution does not obligate the City to anything at the time of passage. This is "an intent to do" not obligation.

Councilmember Etten made a motion to approve the resolution designating Lewisburg as a Recovery Zone as presented. Councilmember Baldwin seconded the motion. With all in favor the motion carried.

ADJOURNMENT:

Councilmember Bowe made a motion to adjourn the meeting at 7:55 p.m. Councilmember Etten seconded the motion. With all in favor the motion carried.

Minutes of City Council
May 18, 2010
Regular Session

The Council of the City of Lewisburg met in regular session on Tuesday, May 18, 2010 at 7:30 p.m. in the Paul R. Cooley Council Chamber located at 942 Washington Street West.

PRESENT: Mayor John Manchester, Recorder Shannon Ninnemann, CMC; Councilmembers; Josh Baldwin, Mark Bowe, Mark Etten, and Beverly White; Public Works Director Mark Carver; Zoning Officer Ken Tubbs, Police Chief Tim Stover and Fire Chief Wayne Pennington.

ABSENT: Andy Evans

VISITORS: Tom Reishman of Gateway 219, LLC; Greg Belcher of the Chapman Technical Group; John and Jeanne Crandall, Robert Richardson, Glenn Singer, John Francis, reporters; Tina Alvey of *the Beckley Register Herald*, Heather Blake of the *West Virginia Daily News* and Peggy Mackenzie of the *Mountain Messenger.*

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

INVOCATION AND PLEDGE OF ALLEGIANCE: Recorder Ninnemann gave the invocation Councilmember White and led the pledge of allegiance.

APPROVAL OF MINUTES:

April 20, 2010 Regular Session Minutes

Councilmember Etten made a motion to table the April 20, 2010 regular session minutes. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

May 4, 2010 Special Session Minutes

Councilmember Etten made a motion to approve the May 4, 2010 Special Session minutes as presented. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

COMMUNICATIONS FROM THE MAYOR:

Lamplighter Subdivision Update

Mayor Manchester reported the Building Maintenance Board and City Attorney Guills was working with Gary Blankenship the new owner of lots 8, 12, 21, 23 and 25 in Lamplighter Subdivision to draft an agreement much like a performance bond. This agreement will protect the City and the neighborhood if Blankenship is unable to complete the remediation plan on

these properties. He noted that a follow up meeting was going to be held on May 25th. Building Inspector Tubbs stated that a demolition permit had been issued for lot #21.

Appointment to Library Board of Directors

Mayor Manchester stated that Renee Ream had declined to serve a new term on the Greenbrier County Library Board of Directors. He offered the name of Terri Thompson to fill the new term running from July 1, 2010 until June 30, 2015.

Councilmember White made a motion to appoint Terri Thompson to the Greenbrier County Library Board of Director for a term to run from July 1, 2010 until June 30, 2015. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

ORDINANCES:

Ordinance 210, establishing and fixing water rates, 2nd reading and public hearing. ✓

Recorder Ninnemann read the following ordinance by title for first reading:

"AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE CITY OF LEWISBURG."

Mayor Manchester called a public hearing to order, hearing no comments from the public the closed the public hearing.

Councilmember Baldwin made a motion to approve Ordinance 210 as presented. Councilmember White seconded the motion. With all in favor the motion carried. Councilmember Etten made a motion to include the number of the ordinance on the ordinance. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

RESOLUTION:

Resolution 331

Recorder Ninnemann read the title of the following resolution for passage:

"RESOLUTION OF THE CITY OF LEWISBURG APPROVING INVOICES RELATING TO CONSTRUCTION OF THE PROPOSED RENICK WATER SYSTEM PROJECT AND AUTHORIZING PAYMENT THEREOF"

Greg Belcher with the City's engineering firm, Chapman Technical Group stated this ordinance was a pay request for drawdown #3 for stored materials in the amount of $45, 432.

Councilmember White made a motion to approve Resolution 331 as presented. Councilmember Etten seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Chapman Technical Group Amendment to Task Order #5 Downtown Water Replacement

Councilmember Etten made a motion to approve the amendment to Task Order #5 for the Downtown Water Replacement Project as presented. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

ORDINANCES CONTINUED:

Ordinance 208

Recorder Ninnemann read the following ordinance by title for first reading:

> "AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF LEWISBURG, WEST VIRGINIA, TO CHANGE AND EXTEND THE R-1 (TOWN RESIDENTIAL) AREA OF PROPERTY FORMERLY KNOWN AS THE GUS A. BOWLING PROPERTY AND NOW COMMONLY KNOWN AS THE GATEWAY COMMONS PROPERY OR GATEWAY 219 LLC AS DEFINED AS RESIDUE PARCEL NOTED AS TAX MAP 12, PARCEL 1, AND DEED BOOK 470, Page 370 FROM THE GREENBRIER COUNTY ASSESSOR'S OFFICE AND AS LOT 7 AND LOT 8 OF THE PRELIMINARY PLAT FROM THE LEWISBURG PLANNING COMMISSION, MAKING THE AREA C-2 (GENERAL COMMERICAL)."

Councilmember White made a motion to approve Ordinance 208 for first reading. Councilmember Baldwin seconded the motion.

Councilmember Etten explained that City Council had approved this rezoning issue at the last City Council meeting. He noted that because of a technical omission it had not been presented in ordinance form at the last meeting.

With three (3) in favor, one (1) opposed (Etten) and one (1) absent (Evans) the motion carried.

Planning Commissioner Singer asked City Council if they had read the comments the Commissioners had forwarded to them regarding this zoning issue. He stated he wanted to let Council know that the Planning Commission had reviewed this issue for three months.

Ordinance 209

Recorder Ninnemann read the following ordinance by title for first reading:

> "AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF LEWISBURG, WEST VIRGINIA, TO CHANGE THE ZONING OF THE OR (OFFICE RESIDENTIAL) PARCEL OF LAND AT 101 E. FOSTER STREET (GREENBRIER COUNTY TAX MAP 24 PARCEL 271), MAKING THE LOT ZONING CC (COMMUNITY CENTER) (MAP ATTACHED)."

Councilmember Etten stated the Planning Commission recommended approval of this rezoning by a vote of 6-0 at the May 2010 Planning Commission meeting.

Councilmember Etten made a motion to approve Ordinance 209 as presented. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

RESOLUTIONS CONTINUED:

Resolution 326

Recorder Ninnemann read the title of the following resolution for passage:

> "FOR A COMMUNITY PARTICIPATION GRANT FOR AN INFORMATION KIOSK PROJECT."

Councilmember White made a motion to approve Resolution 326 for passage. Councilmember Etten seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Resolution 327

Recorder Ninnemann read the title of the following resolution for passage:

> "FOR A COMMUNITY PARTICIPATION GRANT FOR CITY ENTRANCE SIGNS ALONG U.S 219."

Councilmember Etten made a motion to approve Resolution 327 for passage. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Resolution 328

Recorder Ninnemann read the title of the following resolution for passage:

"FOR A COMMUNITY PARTICIPATION GRANT FOR MINI PARK RENOVATION PROJECT."

Councilmember Etten made a motion to approve Resolution 328 for passage. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Resolution 329

Recorder Ninnemann read the title of the following resolution for passage:

"FOR A COMMUNITY PARTICIPATION GRANT FOR DIRECTIONAL SIGNAGE DOWNTOWN"

Councilmember Etten made a motion to approve Resolution 329 for passage. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Resolution 330

Recorder Ninnemann read the title of the following resolution for passage:

"Whereas, special hazards exist upon the alley way commonly known as Graham Avenue and now referred to as the L & R Trail Way;

Whereas, those special hazards include but are not limited to pedestrian traffic of all ages, bicycle usage of all ages and motorist usage;

Whereas, the Lewisburg City Code empowers the Lewisburg City Council to alter speed limits and direction of travel upon City streets and right-of-ways within the corporate limits of the City of Lewisburg;

Whereas, the Lewisburg City Council desires to ensure the safety of all individuals, be they pedestrians, bicyclists, or motorists, that may utilize the portion of Graham Avenue and now referred to as the L & R Trail Way;

Whereas, the aforementioned portion travels in a westerly direction, between the existing points of Frazier Street and South Lafayette Street, now be designated as a one-way alley from Frazier Street to South Lafayette Street;

Whereas, that the speed limit upon this portion of Graham Avenue and now referred to as the L & R Trail Way be reduced from the speed limit of twenty-five (25) miles per miles to fifteen (15) miles per hour."

Councilmember White made a motion to approve Resolution 330 for passage. Councilmember Etten seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Resolution 331

Recorder Ninnemann read the title of the following resolution for passage:

"RESOLUTION OF THE CITY OF LEWISBURG APPROVING INVOICES RELATING TO CONSTRUCTION OF THE PROPOSED RENICK WATER SYSTEM PROJECT AND AUTHORIZING PAYMENT THEREOF"

Councilmember Etten made a motion to approve Resolution 331 for passage. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Evans) the motion carried.

Resolution 332

Recorder Ninnemann read the title of the following resolution for passage:

"**SUBJECT:** The revision of the Levy Estimate (Budget) for the General Fund of the City of Lewisburg. The following resolution was offered:

RESOLVED: That subject to approval of the State Auditor as ex officio chief inspector of public office the municipal council does hereby direct the budget be revised PRIOR TO THE EXPENDITURE OR OBLIGATION OF FUNDS FOR WHICH NO APPROPRIATION OR INSUFFICIENT APPROPRIATON CURRENTLY EXISTS., as shown on **budget revision number one**, a copy of which is entered as part of this record."

Councilmember Etten made a motion to approve Resolution 332 for passage. Councilmember White seconded the motion. With four (4) in favor, and one (1) absent (Evans) the motion carried.

PROCLAMATION:

Lewisburg Elks Club Youth Month

Recorder Ninnemann read a portion of a proclamation announcing May 2010 as Youth Month.

COMMUNICATIONS FROM COUNCIL MEMBERS:

Mayor Manchester stated that a plaque dedication would be held at Dorie Miller Park on Memorial Day at noon to dedicate the plaque which explains who Dorie Miller was.

COMMUNICATIONS FROM BOARDS AND COMMISSIONS:

Planning Commission Report

Councilmember Etten reported on the following events of the May 6, 2010 Planning Commission meeting:

- A minor subdivision was approved for Edward Yarid at 214 S. Jefferson Street.
- A conditional use permit was approved by the Planning Commission and recommended for Council approval to allow the consumption of alcoholic beverages on a deck outside the premises at 120 East Washington Street for the Hamilton Wine Bar located within Robert's Antiques. A stipulation requires that screening be provided around the deck.

Councilmember Etten made a motion to approve a conditional use permit to allow the consumption of beer and wine on a deck outside the premises at 120 East Washington Street for the Hamilton Wine Bar located within Robert's Antiques. With the stipulation that screening be provided around the deck. Councilmember White seconded the motion.

Mayor Manchester called a public hearing to order, hearing no comments from the public he closed the hearing.

With four (4) in favor and (1) absent (Evans) the motion carried.

- A rezoning request from Ann Bell to rezone 101 East Foster Street from OR to CC was approved by the Planning and recommended for Council approval.

Parks Commission Report

Public Works Director Carver reported on the following events of the May 12, 2010 Parks Commission meeting:

- The Commission talked about the possibility of partnering with the YMCA to create a parks complex.
- The Commission would like to use Coal Severance money to purchase new playground equipment for Hollowell Park at a cost not to exceed $5,000.

Councilmember Etten made a motion to table consideration of the purchase of new playground equipment for Hollowell Park until and redirected the discussion to the June Finance Committee

meeting. Councilmember White seconded the motion. With four (4) in favor, and one (1) absent (Evans) the motion carried.

COMMUNICATIONS FROM THE POLICE DEPARTMENT:

Chief Stover reported that the Police Dept. had participated in the Governor's Highway Safety "Target Red" campaign. The campaign helps to raise awareness about running red lights. He noted that 104 citations were issued and 63 of those were red light violations. He stated the Mayor and the Chief had both run Public Service Announcements about the campaign prior to the event.

Stover stated the Deer Control would be started later in the week. He said properties on McElhenny and Dwyer Lane had been identified as places to round up deer.

Mayor Manchester stated he would like to express his gratitude for all the effort that went into making the new police department facility a reality.

Manchester stated he would like to see the Chief develop a program to raise awareness of drivers who block intersections. He asked Stover to come up with a program. Councilmember Etten noted he would like to bring Stover's attention to a school sign that flashes on Lee Street during irregular hours. Public Works Director Carver stated the sign needs a new timing device installed.

COMMUNICATIONS FROM THE FIRE DEPARTMENT:

No report was given.

COMMUNICATIONS FROM COUNCIL COMMITTEES:

Finance Committee Report

Councilmember Etten reported on the following events of the May 11, 2010 Finance Committee meeting:

- The Committee recommended approval to authorize the Mayor to sign one year renewal of the computer service contract with Mountaineer Computers.

Councilmember Etten made a motion to authorize the Mayor to sign one-year contract renewal in the amount of $7,056 for a computer service contract with Mountaineer Computers as presented. Councilmember White seconded the motion. With four (4) in favor, and one (1) absent (Evans) the motion carried.

- The Committee recommended the Cable Endowment Fund ($136,000) be rolled into the Rainy Day Fund under the General Fund.

Councilmember Etten made a motion to roll the Cable Endowment Fund ($136,000) into the Rainy Day Fund under the General Fund. Councilmember White seconded the motion. With four (4) in favor, and one (1) absent (Evans) the motion carried.

- The Renick Payment, Drawdown #3 and Task Order # 5 were all discussed.
- Approval of the Water Fund was tabled until the June Finance Committee meeting.
- The Committee recommended approval of the General Fund Financial Statements as presented.

Councilmember Etten made a motion to approve the General Fund Financial Statements as presented. Councilmember White seconded the motion. With four (4) in favor, and one (1) absent (Evans) the motion carried.

Public Works Committee Report

Director of Public Works Carver reported on the following events of the May 11, 2010 Public Works Committee meeting:

- The Committee recommended authorizing the Mayor to sign the traffic light agreement with the State for a proposed light at the intersection of Lee Street & Route 219.

Councilmember White made a motion to authorize the Mayor to sign a traffic light agreement for the intersection of Lee Street and Route 219 with the WVDOH if and when the City receives it. Councilmember Baldwin seconded the motion.

Councilmember Etten stated he felt like there was an overabundance of traffic lights along Route 219. He stated he has trouble extending an endorsement of an agreement the WVDOH has not yet provided to the City. A discussion about whether or not it is appropriate to consider approval without a written agreement was had.

With zero (0) in favor and one (1) absent (Evans) the motion did not carry.

- Pedestrian crosswalk safety issues were concerned. Carver sent a letter to the WVDOH asking if the City can adjusts the timing to allow time for pedestrians to cross the street. Councilmember Baldwin asked Carver if he had heard of "Catty Corner" crossings which allow pedestrians to cross once instead of twice at intersections. Recorder Ninnemann asked Chief Stover if pedestrians had the right-of-way in West Virginia. Stover answered "technically, yes."

- The Court Street Lighting project will begin in June 2010.

- A ten inch water main broke at 5 am one morning and Carver was proud to report that the City crews had it repaired by 9 am. He noted that over 500,000 gallons of water were lost.

Public Safety Committee Report

No meeting was held.

ADJOURNMENT:

Councilmember Bowe made a motion to adjourn the meeting at 9:05 p.m. Councilmember White seconded the motion. With four (4) in favor, and one (1) absent (Evans) the motion carried.

The West Virginia Daily News
PO Box 471
Lewisburg, WV 24901
PHONE: (304) 645-1206

pre

AFFIDAVIT OF PUBLICATION

NOTICE OF PUBLIC HEARING ON CITY OF LEWISBURG WATER RATE ORDINANCE

Notice is hereby given that on May 4, 2010, the City of Lewisburg, caused to be read before the City Council, an ordinance proposing increased water rates and charges in lieu of those rates and charges contained in the City's existing water tariff currently on file at the Public Service Commission of West Virginia for furnishing water service to customers in Greenbrier County, West Virginia and is proposing adoption of the same. The proposed ordinance is titled:

AN ORDINANCE SETTING FORTH THE RATES, FEES AND CHARGES FOR SERVICE TO CUSTOMERS OF THE WATER SYSTEM OF THE CITY OF LEWISBURG.

The City Council of the City of Lewisburg will have its final reading and vote on the ordinance on Tuesday, May 18, 2010 at 7:30 p.m. in the City of Lewisburg, City Hall, Lewisburg, West Virginia. Said meeting is open to the public and all interested parties may appear at the meeting and present protests, if any, with respect to the proposed ordinance. A copy of the proposed ordinance is available for inspection at the office of the City Recorder of the City of Lewisburg, City Hall, Lewisburg, West Virginia.

/s/ Shannon Ninnemann
Recorder
(7my)

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 one (1) issues of said newspaper, dated

7 May 2010

Given under my hand this 7th day of May, 2010

Louise Bassett
Editor or Publisher

Subscribed and sworn to before me this 7th day of May, 2010.

My commission expires Sept 11, 2010

Judy Steele, Notary Public

Publication Fee: $ 31.50

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JUDY STEELE
302 ALDERSON STREET
LEWISBURG, WEST VIRGINIA 24901
MY COMMISSION EXPIRES SEPTEMBER 11, 2010

The West Virginia Daily News
PO Box 471
Lewisburg, WV 24901
PHONE: (304) 645-1206

post

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

21 May 2010
28 May 2010

Given under my hand this 1st day of June, 2010

Louise Bassett
Editor or Publisher

Subscribed and sworn to before me this 1st day of June, 2010.

My commission expires Sept 11, 2010

Judy Steele, Notary Public

Publication Fee: $ 137.81

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JUDY STEELE
302 ALDERSON STREET
LEWISBURG, WEST VIRGINIA 24901
MY COMMISSION EXPIRES SEPTEMBER 11, 2010

POST

PUBLIC NOTICE OF WATER RATES OF
THE CITY OF LEWISBURG

NOTICE is hereby given that the CITY OF LEWISBURG (the "City") enacted an ordinance on May 18, 2010 containing increased rates and charges for furnishing water service to 4,925 customers at Lewisburg and vicinity, in Greenbrier County, West Virginia.

The proposed increased rates and charges will become effective 45 days from the effective date of the ordinance, unless otherwise ordered by the Public Service Commission, and will produce approximately $259,477 annually in additional revenue, an increase of 13%. The average monthly bill for the various classes of customers will be changed follows:

TYPE OF CUSTOMER		($) INCREASE	INCREASE (%)
Domestic	(4,000 gallons)	$0.90	3%
Commercial	(4,000 gallons)	$0.90	3%
Industrial	(4,000 gallons)	$0.90	3%
Resale	(4,000 gallons)	$0.00	0%

Resale customers of the City include the Town of Ronceverte.

The increases shown are based on averages of all customers in the indicated class. Individual customers may receive increases that are greater or less than average. Furthermore, the requested rates and charges are only a proposal and are subject to change (increases or decreases) by the Public Service Commission in its review of this filing. The Public Service Commission shall review and approve or modify the increased rates only upon the filing of a petition within thirty (30) days of the adoption of the ordinance changing said rates and charges by:

(1) Any customer aggrieved by the changed rates or charges who presents to the Public Service Commission a petition signed by not less than twenty-five percent (25%) of the customers served by the City's waterworks system; or

(2) Any customer who is served by the City's waterworks system and who resides outside the corporate limits and who is affected by the change in said rates or charges and who presents to the Public Service Commission a petition alleging discrimination between customers within and without the City's boundaries. Said petition shall be accompanied by evidence of discrimination; or

(3) Any customer or group of customers who are affected by said change in rates who reside within the City's boundaries and who present a petition to the Public Service Commission alleging discrimination between said customer or group of customers and other customers of the City's waterworks system. Said petition shall be accompanied by evidence of discrimination.

All petitions should be addressed to the Executive Secretary, Public Service Commission of West Virginia, 201 Brooks Street, Post Office Box 812, Charleston, West Virginia 25323.

A complete copy of the proposed rates, as well as a representative of the utility to provide any information requested concerning it, is available to all customers, prospective customers, or their agents at the Recorder's Office at the City Hall, Lewisburg, West Virginia.

A copy of the proposed rates is available for public inspection at the Office of the Executive Secretary of the Public Service Commission at 201 Brooks Street, Post Office Box 812, Charleston, West Virginia 25323.

/s/ Shannon Ninnemann
City Recorder

Minutes of City Council
October 19, 2010
Regular Session

The Council of the City of Lewisburg met in regular session on Tuesday, October 19, 2010 at 7:30 p.m. in the Paul R. Cooley Council Chamber located at 942 Washington Street West.

PRESENT: Mayor John Manchester, Recorder Shannon Ninnemann, CMC; Councilmembers; Josh Baldwin, Mark Bowe, Mark Etten, Andrew Evans and Beverly White; Public Works Director Mark Carver; Police Chief Tim Stover, Zoning Officer Ken Tubbs and Fire Chief Wayne Pennington.

VISITORS: Reporters; Tina Alvey of *the Beckley Register Herald*, Heather Blake of the *West Virginia Daily News* and Peggy Mackenzie of the *Mountain Messenger;* John Stump of Steptoe and Johnson; Dave Nalker, Terry Thompson, Robert Richardson, Pat Baker, DeEtta King Hunter, David Blakenship, Tamra Pence, Aaron & Monica Maxwell, Jim Morgan, Jr., Kara Dense, Michael Kelemen of Suddenlink, Dolores & Dell Jameson, Kathy Wilcox, Brenda Honaker, Criss Haynes, Teri Alsobrook-Warner, Meredith Donnelly and Rachel Stebbans

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

INVOCATION AND PLEDGE OF ALLEGIANCE: Recorder Ninnemann gave the invocation and Councilmember White led the pledge of allegiance.

VISITORS REPORTS:

Greenbrier Valley Theatre Funding Request

Meredith Donnelly of the Greenbrier Valley Theatre presented a request for funding to help the Theatre. She stated the request was for funding to upgrade the fire safety equipment and to replace the façade of the building on Washington Street. She asked the City for $15,000 to help match funds for a grant to make the repairs and update the fire safety equipment. Councilmember Etten asked Donnelly if the Theatre had received the grant yet. She answered "yes". Mayor Manchester reminded Donnelly that City Council could not take action on the request because it was not listed as an agenda item for the meeting. He asked her to submit a formal request at the next meeting. Councilmember White stated she would abstain from voting on this matter in the future because she is a member of the Board.

APPROVAL OF MINUTES:

September 21, 2010

Councilmember Evans made a motion to approve the September 21, 2010 regular session minutes as presented. Councilmember Bowe seconded the motion. With three (3) in favor and two (2) abstained (Etten and Bowe) the motion carried.

COMMUNICATIONS FROM THE MAYOR:

Lamplighter Subdivision drainage ditch remediation

Mayor Manchester stated he had asked Criss Haynes, chairman of the Stormwater Committee to look at the storm water drainage situation at Lamplighter Subdivision to come up with a remediation plan. Haynes stated he will outline the elements that need to be looked at to develop a solution to the drainage problem. He noted he will research the property lines and rights-of-ways, call Miss Utility to identify any existing utility lines, will look at the topography of the swale and adjacent land, and will study the storm water flows to come up with a remediation plan for the storm water that collects in ditch within the Lamplighter Subdivision. It was noted by several property owners present at the meeting that these issues did not exist before Carter Development began and abandoned several construction sites in the subdivision. Mayor Manchester stated he would like to hold an onsite meeting and/or a Stormwater Committee meeting to help develop a remediation plan before the next City Council meeting.

Petition to close a ten-foot wide portion of an alleyway in the Bell Van Addition

Local attorney, Robert Richardson submitted a petition to vacate and close or declare the City has never accepted the dedication of a portion of an alleyway in the Bell Van Addition. He provided copies of return receipts from certified letters that were sent to adjacent property owners.

Richardson asked the City to formally abandon or close a ten foot strip of land, ten feet in width, shown as an alley of record in the Office of Clerk of the County Commission of Greenbrier County, West Virginia in Record Maps Book No. 1 at page 57. That strip of land, ten feet in width, being a portion of that shown as an alley upon the aforesaid map or plat of the Bell-Van Addition to Lewisburg, WV, lying between Lot No. 8 of the said Addition on the southwest and Lots Nos. 12, 13 and 14 of the said Addition on the northeast, the southern boundary of which strip runs in a southeasterly direction of a distance 90.89 feet from northeast corner of Lot 8 to a 5/8" re-bar in the line of said alley and the said Lot No 8.

He noted that no one has ever used this portion of the alleyway because a house is situated in the middle of this portion. Mayor Manchester asked Director of Public Works Carver if there was any reason the City needed to use that portion of the alleyway. Carver answered "no".

Lewisburg resident, Kathy Wilcox who lives near the alleyway lodged her opposition to allowing the closure of that portion of the alleyway. Mayor Manchester stated he felt that the closure of this portion of the alleyway would simply clean up a problem of an alleyway going through a house. City Attorney Guills stated he felt it was proper for the City to respond to the petition to close the alleyway portion as long as Council was clear what they were going to close. Councilmember Etten stated he wanted to be sure the City was not going to give up an asset which the City might need for a future utility use.

Councilmember Bowe made a motion to table the petition to close a portion of alleyway in the Bell Van addition until Council could have the City Attorney review the petition and determine that the area asked to be closed is the one presented in the petition. Councilmember Etten seconded the motion. With all in favor the motion carried.

Consulting Agreement with Region IV

Councilmember Evans made a motion to approve a consulting agreement with Region IV Planning and Development Council to administer a EECGB grant to replace the roof on the Courtney Street Building which used to house the Greenbrier County Library. Councilmember White seconded the motion. With all in favor the motion carried.

Lewisburg Merchants Association Update on public relations proposal

Monica Maxwell, representing the Lewisburg Merchants Association submitted a request asking City Council to fund a public relations/advertising campaign in the amount of $15,000. She stated that she had met with Kara Dense from the Greenbrier County Convention and Visitor's Bureau asking if the CVB would make a financial commitment to the campaign. She noted the Merchants Association was waiting on a decision by the CVB's executive committee on what type of support the agency could offer.

Dense stated the CVB already provides advertising and public relations services for Lewisburg through the CVB. She stated that although the CVB markets the whole county, Lewisburg and The Greenbrier Hotel are often featured in the marketing campaigns as premier destinations for the County. Dense noted that last year the CVB marketed the Lewisburg Chocolate Festival and Taste of Our Towns festivals with individual campaigns that cost $21,000 to do so. She noted the CVB does promote single destination events like the Chocolate Festival and T.O.O.T.

Councilmember Bowe asked how much the City contributed to the CVB through its Hotel/Motel tax last year. She answered $221,000. Councilmember Bowe stated that if one looks at what brings visitors to Lewisburg, many times it is the festivals that are put on by the nonprofit organizations. He noted that during these difficult economic times there are several stores on the threat of being closed. He stated he feels it is important for the City, the CVB and the Merchants to work together to maintain a vital downtown atmosphere. Dense stated the CVB just spent $2.2 million dollars to build a visitor center in downtown Lewisburg. She said the Washington Street location attracts tourists who might not otherwise discover the charms of the downtown shopping district in Lewisburg. Monica Maxwell, owner of Harmony Ridge Gallery stated that people do not know Lewisburg is here, noting it was something they stumbled upon instead of hearing about. She noted that is why she felt a PR campaign specifically targeting Lewisburg was important to get visitors into town.

Councilmember Etten stated he had qualms about committing City funds to market only one portion of Lewisburg. He said he was concerned about City government contributing to the

segmentation of Lewisburg by donating advertising dollars to some businesses and not to others within the municipal limits.

Kara Dense stated the CVB might commit money but that the Bureau could commit personnel toward helping promote Lewisburg. She said the CVB already provides coverage of Lewisburg and there is an overlap in what the Merchants Association is asking for and what the CVB already provides. She said that even though the CVB's mandate is to promote the entire county, The Greenbrier Hotel and Lewisburg are the real hooks for tourism in the County.

City Council decided to wait on making a commitment to fund the PR campaign until after the CVB takes action on the request.

ORDINANCES:

Ordinance 216

Recorder Ninnemann read the following ordinance by title for third reading:

> "ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF THE CITY OF LEWISBURG AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE INSUANCE BY THE CITY OF NOT MORE THAN $2,600,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; DUCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO."
>
> Mayor Manchester opened a public hearing. Hearing no comments from the public he closed the hearing.

Councilmember White made a motion to approve Ordinance 216 upon third reading. Councilmember Baldwin seconded the motion. With all in favor the motion carried.

Ordinance 217

Recorder Ninnemann read the following ordinance by title for 2nd reading:

AN ORDINANCE OF THE CITY OF LEWISBURG, WEST VIRGINIA GRANTING A FRANCHISE TO CEBRIDGE ACQUISITION, LLC. FOR THE CONSTRUCTION AND OPERATION OF A CABLE SYSTEM.

Mayor Manchester opened the floor for comment during a public hearing:

Manchester stated that he had a request from Joe Sharp of Sharp Communications asking that Suddenlink provide Sharp Communications with a 3 meg bandwidth connection. Kelemen stated they could probably provide a 10 meg bandwidth to Sharp to stream video on.

Lewisburg resident, DeEtta King Hunter stated she had a few issues with Suddenlink she would like to bring to the attention of City Council. She noted that Suddenlink has been promising for ten years to fix the issue where in the broadcasting is switched back and forth between channels. Keleman stated he thought that issue had been repaired. Hunter also stated that communication from Suddenlink to its customers about the conversion to digital service should be required. She stated that many customers will lose the 2nd tier of channels if they do not understand how to get the new box for the conversion. She also said that she called Suddenlink the day before and was told she did not have television service at her business when in fact she does. Kelemen noted that Suddenlink was planning on going all digital by November 16th. He stated the digital service would provide 30 new channels.

City Council asked Kelemen to provide the Mayor with a schedule of events leading up to conversion to digital service. They also asked that all outstanding issues with Suddenlink be resolved before the ordinance was approved on second reading.

Councilmember Baldwin made a motion to table Ordinance 217 until the Sharp Communications bandwidth for the local access channel be addressed; the switch out between channels on the blackout issue; the roll out plan for digital conversion be provided to the Mayor and the resolution of the Hunter television account all be resolved by Suddenlink. Councilmember Etten seconded the motion. With all in favor the motion carried.

Ordinance 215

Recorder Ninnemann read the following Ordinance by title for second reading:

"AN ORDINANCE TO REPEAL CHAPTER 8 OF THE CODE OF THE CITY OF LEWISBURG AND TO REENACT IT TO BRING THE CITY OF LEWISBURG FIRE PREVENTION CODE INTO COMPLIANCE WITH THE FIRE CODE OF WEST VIRGINIA."

Mayor Manchester opened the public hearing. Hearing no comments from the public he closed the hearing.

Councilmember White made a motion to approve Ordinance 215 upon second reading. Councilmember Evans seconded the motion. With all in favor and one the motion carried.

Ordinance 219

Recorder Ninnemann read the following Ordinance by title for first reading:

"AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF LEWISBURG, WEST VIRGINIA, TO CHANGE THE ZONING OF THE R-1 (TOWN RESIDENTIAL) PARCEL OF LAND AT 201 WALNUT STREET (PARCEL 48 GREENBRIER COUNTY TAX MAP 19), MAKING THE LOT ZONING DESIGNATION OR (OFFICE RESIDENTIAL) (MAP ATTACHED)"

Zoning Officer Ken Tubbs stated the recommendation of the Planning Commission was not to approve the rezoning from R-1 to OR at 201 Walnut Street.

Councilmember Bowe stated he would like to hear from Councilmember Etten on this rezoning request. Etten stated that 201 Walnut Street is on the north side of Randolph Street. He said the property is across the street from a OR zone but that the property is located within a block of R1. He stated that Morgan has a grandfathered single family attached dwelling on the property. He noted Morgan would like to expand another structure he built on the property and turn it into an additional dwelling unit.

The petitioner, Jim Morgan, Jr. stated that he feels that rezoning is not required if one looks at Article VII, Section 57 Residential Density of the Zoning Ordinance. "(a) Subject to provisions of Section 41, Planned Developments. Every lot for residential purposes shall have the number of square feet per dwelling unit indicated in the following table. In determining the number of dwelling units permissible on a tract of land, fractions shall be rounded to the nearest whole number." In the OR Zone it states that the minimum square feet per dwelling until shall be 7,000 feet. Morgan asserts he feels this means he can have more than one dwelling unit on his lot because his lot is large enough.

Councilmember Etten stated he would like to seek further legal opinion of the City Attorney on this matter. He noted that Council already has opinion from the Attorney stating that only one dwelling is permissible.

Councilmember Baldwin made a motion to table Ordinance 219 until a follow up evaluation can be obtained from City Attorney Guills of the new information regarding density requirements. Councilmember White seconded the motion. With all in favor the motion carried.

Ordinance 218

Recorder Ninnemann read the following ordinance by title for first reading:

"AN ORDINANCE TO ENACT SECTION 5-16 OF CHAPTER 5 OF THE CODE OF THE CITY OF LEWISBURG, WEST VIRGINIA, TO PROVIDE A VACANT STRUCTURE CODE."

Councilmember Etten made a motion to approve Ordinance 218 upon first reading. Councilmember White seconded the motion.

Councilmember Etten asked that the blank spaces on page seven be inserted prior to the second reading.

With all in favor the motion carried.

RESOLUTIONS:

Resolution 344

Recorder Ninnemann read the following resolution by title for passage:

"RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE PURCHASE AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH."

Councilmember Etten made a motion to approve Resolution 344. Councilmember Evans seconded the motion. With all in favor the motion carried.

Resolution 345

Recorder Ninnemann read the following resolution by title for passage:

RESOLUTION 345

"**SUBJECT:** The revision of the Levy Estimate (Budget) for the General Fund of the City of Lewisburg. The following resolution was offered:

RESOLVED: That subject to approval of the State Auditor as ex officio chief inspector of public office the municipal council does hereby direct the budget be revised PRIOR TO THE EXPENDITURE OR OBLIGATION OF FUNDS FOR WHICH NO APPROPRIATION OR INSUFFICIENT APPROPRIATON CURRENTLY EXISTS., as shown on **budget revision number two**, a copy of which is entered as part of this record."

Councilmember Etten made a motion to approve the resolution for passage. Councilmember White seconded the motion. With all in favor the motion carried.

PROCLAMATIONS:

Breast Cancer Awareness

Recorder Ninnemann read a portion of a proclamation announcing October 2010 as Breast Cancer Awareness Month.

Municipal Government Week

Recorder Ninnemann read a portion of a proclamation announcing the week of October 18-22 as Municipal Government Week in the City of Lewisburg.

Domestic Violence Awareness Month

Recorder Ninnemann read a portion of a proclamation announcing October 2010 as Domestic Violence Awareness Month.

COMMUNICATIONS FROM BOARDS AND COMMISSIONS:

Planning Commission report

Councilmember Etten reported on the following events of the October 7, 2010 Planning Commission meeting:

- A rezoning request from James Morgan, Jr. at 201 Walnut Street, Lewisburg, to rezone from R1 to OR, property described as, parcel 48 on Greenbrier County tax map 19

otherwise known as 201 Walnut Street was not approved for recommendation to City Council.

- A lot line adjustment for Lydia Preston at 8 Wiley Drive was approved.

Parks Commission report

Councilmember Evans reported on the following events of the October 13, 2010 meeting:

- A master plan for the Parks facilities, ongoing Park Facility projects and the Sports Complex were discussed.

COMMUNICATION FROM THE POLICE DEPARTMENT:

Chief Stover asked for permission to reclassify the parking patrol position to a full time clerical position with a starting salary of $9.00 an hour.

Council member Etten made a motion to reclassify the parking patrol position to a full time clerical position with a starting salary of $9.00 an hour. Councilmember Evans seconded the motion. With all in favor the motion carried.

Stover also announced the Police Department was not awarded the Cops More grant it applied for.

COMMUNICATIONS FROM COUNCIL COMMITTEES:

Finance Committee Report

Councilmember Etten reported on the following events of the October 12, 2010 Finance Committee meeting:

- Task order number 12 was recommended for approval.

Councilmember Etten made a motion to approve Task Order no. 12 from Chapman Technical Group Foster Street for Grating Repairs for a lump sum payment of $4,000. Council member White seconded the motion. With all in favor the motion carried.

- The Committee recommended approval to hire an accountant to complete the comprehensive water system report.

Councilmember Etten made a motion to hire an accountant, bond council and to work with Chapman Technical Group for submission of the capital improvements to the City's water

system as outlined in Chapman Technical Groups comprehensive plan to the Infrastructure Council. Council member Evans seconded the motion. With all in favor the motion carried.

- The Committee recommended authorizing the Mayor to negation with the land owner for the acquisition of the Fairlea Water Tank site.

Council member White made a motion to authorize the Mayor to offer with Mr. Walter Baker $16,000 for the Fairlea Water Tank property and to pay closing costs. Council member Evans seconded the motion. With five in favor and one absent the motion carried.

- The Committee recommended to Council to accept the grant from the US Department of Justice for the purchase of bulletproof vests and to approve the expenditure of $6,600 to purchase the vests with a reimbursement of $3,300.

Council member Etten made a motion to recommend to Council to accept the grant from the US Department of Justice for the purchase of bulletproof vests and to approve the expenditure of $6,600 to purchase the vest with a reimbursement of $3,300. Councilmember Evans seconded the motion. With all in favor the motion carried.

- The Committee recommended acceptance of the Mike Enyart and Sons, Inc bid in the amount of $911,919.00 for completion of the Downtown Water Line Project.

Councilmember Etten made a motion to accept Mike Enyart and Sons, Inc bid in the amount of $911,919.00 for completion of the Downtown Water Line Project pending validation of statement of qualifications and the completion of any necessary paperwork. Council member Evans seconded the motion. With all in favor the motion carried.

- The Committee recommended Council write off the accounts as presented at The Finance committee meeting.

Councilmember Etten made a motion to write off the water accounts as presented at the finance Committee meeting. Councilmember White seconded the motion. With all in favor the motion carried.

- The Committee recommended the acceptance of the audit reports for the City and the Lewisburg Volunteer Fire Corporation for the 2009 Fiscal Year.

Councilmember Etten made a motion to accept the audit reports for the City and the Lewisburg Volunteer Fire Corporation for the 2009 Fiscal Year. Councilmember Baldwin seconded the motion. With all in favor the motion carried.

- The low bidder for the Route 219 Sidewalk project was Triton Co. in the amount of $441,340 includes Alternate #1 to include LED lights to flash to warn motorists.

Councilmember Etten made a motion to accept the low bid from Triton Co. in the amount of $441,340 to include the LED flashing lights to warn motorists of pedestrian traffic. Councilmember White seconded the motion. With all in favor the motion carried.

- The Committee recommended approval of the financial statements for the General, Water, Coal Severance and Sanitation Budgets.

Councilmember Etten made a motion to approve the financial statements for the General, Water, Coal Severance and Sanitation Budgets for the period ending June 30, 2010. Councilmember White seconded the motion. With all in favor the motion carried.

- Lorrie Monte, Cosmic Cab LLC, was present to inform the Committee that she is in the application process to operate a taxi service in the local area. She stated she would like to have the City's support and may be back in the future to seek the City's help in setting up a taxi stand.

Public Works Committee Report

Director of Public Works Carver reported on the following events of the October 12, 2010 Public Works Committee meeting:

Easement with the West Virginia School of Osteopathic School of Medicine

for the 219 North Sidewalk Project

Councilmember Evans made a motion to approve the easement between the Osteopathic School and the City for the Route 219 Sidewalk Project as presented by the City Attorney. Councilmember White seconded the motion. With all in favor the motion carried.

Fleshman Drive Water Line Agreement

Carver updated and informed City Council that there are thirteen residents who live on Fleshman Drive in Frankford who are requesting city water however, only eight are willing to participate in the cost share towards the project.

There will be approximately twenty one hundred feet of six inch pipe and sixteen hundred feet of two inch pipe to be installed. The total cost for the project for eight customers is $24,129.00. The city's responsibility would be $16,264.00 and the customer's responsibility would be $7,865.00 which would be $983.12 for each of the eight customers. Councilmember Etten had

some questions regarding the costs and asked Carver to clarify and explain where the figures were coming from.

Addendum to the 2010 Street Paving List

Carver explained that because a portion of South Court Street is not going to be paved until after the downtown water line replacement project is completed extra tonnage of asphalt remains. He stated he would like to use that extra tonnage on Silo Lane.

Councilmember White made a motion to approve the addendum to the 2010 Street Paving List as presented. Councilmember Etten seconded the motion. With all in favor the motion carried.

ADJOURNMENT:

Councilmember Bowe made a motion to adjourn the meeting at 11:16 p.m. Councilmember Etten seconded the motion. With all in favor the motion carried.

Minutes of City Council
September 28, 2010
Special Session

The Council of the City of Lewisburg met in special session on Tuesday, September 28, 2010 at 7:30 p.m. in the Paul R. Cooley Council Chamber at 119 West Washington Street.

PRESENT: Mayor John Manchester, Recorder Shannon Ninnemann, CMC, Councilmembers, Mark Etten, Andrew Evans and Beverly White

ABSENT: Councilmembers Mark Bowe and Joshua Baldwin

VISITORS: Greg Belcher

CALL TO ORDER: Mayor Manchester called the meeting to order at 7:00 p.m.

Ordinance 216, 2nd Reading

Recorder Ninnemann read the following Ordinance by title for 2nd reading:

> "ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF THE CITY OF LEWISBURG AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE INSUANCE BY THE CITY OF NOT MORE THAN $2,600,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; DUCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO."

Councilmember Evans made a motion to approve Ordinance 216 upon second reading. Councilmember White seconded the motion. With three (3) in favor and two (2) absent (Baldwin and Bowe) the motion carried.

ADJOURNMENT:

Councilmember Etten made a motion to adjourn the meeting at 7:18 p.m. Councilmember White seconded the motion. With three (3) in favor and two (2) absent (Baldwin and Bowe) the motion carried.

Minutes of City Council
September 21, 2010
Regular Session

The Council of the City of Lewisburg met in regular session on Tuesday, September 21, 2010 at 7:30 p.m. in the Paul R. Cooley Council Chamber located at 942 Washington Street West.

PRESENT: Mayor John Manchester, Recorder Shannon Ninnemann, CMC; Councilmembers; Josh Baldwin, Mark Bowe, Andrew Evans and Beverly White; Public Works Director Mark Carver; Police Chief Tim Stover, Zoning Officer Ken Tubbs and Fire Chief Wayne Pennington.

ABSENT: Council member Mark Etten

VISITORS: Reporters; Tina Alvey of *the Beckley Register Herald*, Heather Blake of the *West Virginia Daily News* and Peggy Mackenzie of the *Mountain Messenger;* Daniel Boone, John Stump of Steptoe and Johnson; Dave Nalker, Terry Thompson, Robert Richardson and Brennan Wood.

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

INVOCATION AND PLEDGE OF ALLEGIANCE: Recorder Ninnemann gave the invocation and Councilmember White led the pledge of allegiance.

VISITORS REPORTS: No reports were given.

APPROVAL OF MINUTES:

August 17, 2010

Councilmember White made a motion to approve the August 17, 2010 regular session minutes as presented. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

COMMUNICATIONS FROM THE MAYOR:

Greenbrier County Library Annual Report

Daniel Boone distributed and reviewed the Annual report for the Greenbrier County Library with City Council. He noted that the library saw an increase of 8,000 visitors in 2010 with a total of 67,000 patrons visiting the library over the past year. He also reported that 70 people attended a new adult summer reading program in 2010. Boone informed City Council about a new program that encourages reading by young children. The program is called PAWS and utilizes dogs that have been certified as reading listeners. He stated the children sit and read to the dogs who attentively listen. He also told Council about a new service that allows patrons to download audio books.

Set the Date for Halloween

Mayor Manchester announced that Halloween has been set for Saturday, October 30, 2010 from 6:00 p.m. until 8:00 p.m. He reminded trick or treaters to only knock on doors at which the porch light is on.

ORDINANCES:

Ordinance 216, To consider on 1st reading and act upon a proposed Bond Ordinance providing for the issuance of its Water Revenue Bonds, Series 2010 A (the "Bonds"). The proceeds of the Bonds will be used (i) to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public water system of the Issuer (the "Project"); and (ii) to pay certain costs of issuance hereof and related costs. The Bonds are payable solely from revenues to be derived from the ownership and operation of the water system of the City

Recorder Ninnemann read the following Ordinance by title for first reading:

> "ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF THE CITY OF LEWISBURG AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE INSUANCE BY THE CITY OF NOT MORE THAN $2,600,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; DUCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO."

Bond Counsel, John Stump, from Steptoe and Johnson stated that Ordinance 216 was a proposed Bond that would provide financing for the downtown waterline replacement project. He noted the project was certificated by the PSC and that no water rate increase was associated with the project.

Councilmember White made a motion to approve Ordinance 216 upon first reading, which motion was seconded by Councilmember Evans. With four (4) in favor and one (1) absent (Etten) the motion carried.

A special session of City Council was scheduled for September 28, 2010 for the second reading.

Ordinance 214, Update the Zoning Map to reflect 12' alleyway adjoining the Garden Heights Addition, 2nd reading

Recorder Ninnemann read the following Ordinance by title for second reading:

"AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF LEWISBURG, WEST VIRGINIA, TO CHANGE THE MAP BY ADDING THE RIGHT-OF-WAY ALLEY OF THE GARDEN HEIGHTS ADDITION DATED APRIL 23, 1955, ALONG THE BACK OF THE LOTS B1 TO B6 THAT FRONT ALDERSON STREET. THE WIDTH OF THE SAID ALLEY IS DEEMED TO BE 12 FEET AND A 2 FOOT RESERVE USING THE SCALE OF ONE INCH EQUALS 50 FEET BY THE MAP IN BOOK 2 PAGE 130, GARDEN HEIGHT ADDITIONS AS RECORDED IN THE GREENBRIER COUNTY ASSESORS OFFICE. (MAP ATTACHED)"

Mayor Manchester called a public hearing to order and after hearing no comments from the public closed the public hearing.

Councilmember Evans made a motion to approve Ordinance 214 on second reading. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

Ordinance 215, Updates to Chapter 8 of the City Code, Fire Protection amendments, 1st Reading

Recorder Ninnemann read the following ordinance by title for first reading:

"AN ORDINANCE TO REPEAL CHAPTER 8 OF THE CODE OF THE CITY OF LEWISBURG AND TO REENACT IT TO BRING THE CITY OF LEWISBURG FIRE PREVENTION CODE INTO COMPLIANCE WITH THE FIRE CODE OF WEST VIRGINIA."

Councilmember White made a motion to approve Ordinance 215 upon first reading. Councilmember Evans seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

Ordinance 217, Suddenlink Franchise Agreement, 1st reading

Recorder Ninnemann read the title of the following ordinance by title for first reading:

"An Ordinance of the City of Lewisburg, West Virginia

Granting a Franchise to Cebridge Acquisition, LLC
for the Construction and Operation of a Cable System"

Councilmember Bowe made a motion to approve Ordinance 217 upon first reading. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

RESOLUTIONS:

Resolution 344, Brookside Drive Subdivision, dedication of Brookside Drive

Recorder Ninnemann read the title of the following resolution for passage:

"A RESOLUTION BY THE COUNCIL OF THE CITY OF LEWISBURG, WEST VIRGINIA, TO AUTHORIZE AND ACCEPT BROOKSIDE DRIVE AS A CITY STREET."

Councilmember White made a motion to approve Resolution 344. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

Resolution 342, Water Bond Series 2009 A Draw request #6

Recorder Ninnemann read the title of the following resolution for passage:

"RESOLUTION OF THE CITY OF LEWISBURG APPROVING INVOICES RELATING TO CONSTRUCTION AND OTHER SERVICES FOR THE PROPOSED WATER PROJECT AND AUTHORIZING PAYMENT THEREOF"

Councilmember Baldwin made a motion to approve Resolution 342. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

Resolution 343, Renick Water Project Requisition #4

Recorder Ninnemann read the title of the following resolution for passage:

"RESOLUTION OF THE CITY OF LEWISBURG APPROVING INVOICES RELATING TO CONSTRUCTION OF THE PROPOSED RENICK WATER SYSTEM PROJECT AND AUTHORIZING PAYMENT THEREOF"

Councilmember Evans made a motion to approve Resolution 343. Councilmember White seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

Resolution 345, Stop Sign at the corner of Graham and Court Street

Recorder Ninnemann read the title of the following resolution for passage:

"Stop Sign Court Street South at Intersection with Graham Ave"

Councilmember White made a motion to approve Resolution 345. Councilmember Evans seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

PROCLAMATIONS:

Shrine Day

Recorder Ninnemann read a portion of a proclamation dedicating October 25, 2010 as Shrine Day in the City of Lewisburg.

COMMUNICATIONS FROM CITY COUNCIL:

West Virginia Municipal League

Councilmember White announced that Mayor Manchester had been named treasurer of the West Virginia Municipal League.

Oprah Winfrey Show

Mayor Manchester announced that a group in Lewisburg had submitted a video asking Oprah to come visit Lewisburg.

COMMUNICATIONS FROM BOARD AND COMMISSIONS:

Planning Commission

Zoning Officer, Ken Tubbs, reported on the following events of the September 2, 2010 Planning Commission meeting:

- Election of officers
- Chapter I, Article II of the Subdivision and Land Development of the Zoning Ordinance update was reviewed.

Parks Commission

Councilmember Andy Evans reported that a meeting was not held because of a lack of quorum.

Annual Tree Report

Tree Warden, Ken Tubbs, reported to date the City has had one hazard tree removed from a City Right-of-Way. He also noted that with the construction and landscaping of the police station the

city has spent $3,534 on exterior improvements. He also stated a proposed Right-of-Way street tree trimming will include the northwest corner of the City as defined by Route 60 and Route 219 and also the entrance to Silo Square.

He informed City Council he was working with David Lindsay, a forester with Alleghany Power on a fall planting program.

COMMUNICATIONS FROM THE POLICE DEPARTMENT:

Chief Stover stated that in regards to the Police Department vehicle replacements that were previously approved, he had learned that Dodge Chargers are not currently available. He noted he had ordered Chevy Impalas instead and had secured 2011 model cars at 2010 model car prices.

He reported that the 3rd Annual Dare to Cruz Car Show had been a success with 167 entries. He said the show had raised $2,130 in funds for the Dare Program.

COMMUNICATIONS FROM THE FIRE DEPARTMENT:

No report was given.

COMMUNICATIONS FROM COUNCIL COMMITTEES:

Finance Committee Report

Councilmember White reported on the following events of the September 14, 2010 Finance Committee meeting:

- The Committee recommended approval of pay request #3 from Pro Contracting, Inc. for the Ronceverte Interconnection Project.

Councilmember Bowe made a motion to pay request #3 from Pro Contracting, Inc. for the Ronceverte Interconnection Project. Councilmember Evans seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

- Approval was recommended for change order #2 for the L&R Trail project.

Councilmember White made a motion to approve change order #2 for the L&R Trail Project in the amount of $5,800. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

- Cost estimates for the Center Green project were discussed.
- Chief Pennington updated the Committee about the situation with the Fire Department's workers compensation for broad form liability coverage. The Governor has negotiated a

deal between the State Fireman's Association and BRIM for one year. The estimated cost to the department is $3,050 and may require a budget revision in the future.

- The Committee recommended not recognizing the special primary election that was held on Saturday, August 28, 2010 as a holiday for the City police and fire departments.

Councilmember Bowe made a motion to not recognize the special primary election that was held on Saturday, August 28, 2010 as a holiday for the City police and fire departments. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

Public Works Committee Report

Public Works Director Mark Carver reported on the following events of the September 14, 2010 Public Works Committee meeting:

- The downtown water line replacement project bid opening will be held soon.
- The new shelter at Dorie Miller is almost complete and the ADA compliant bathroom is under roof.
- The toddler play center has been delivered and will be erected in October.
- Customers for the Renick water system are slowly trickling in.
- The radio read water meter project is still on hold pending agreements with the Greenbank Observatory to use a radio frequency within the quiet zone. The Mayor is working with Rockefeller's office to try and get the project resolved.

ADJOURNMENT:

Councilmember Bowe made a motion to adjourn the meeting at 8:45 p.m. Councilmember Baldwin seconded the motion. With four (4) in favor and one (1) absent (Etten) the motion carried.

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

5 Oct. 2010
12 Oct. 2010

Given under my hand this 14th day of Oct., 2010

Louise Bassett
Editor or Publisher

Subscribed and sworn to before me this 14th day of October, 2010.

My commission expires Sept 11, 2020

Judy Steele, Notary Public

Publication Fee: $ 105.67

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JUDY STEELE
200 S. COURT STREET
LEWISBURG, WEST VIRGINIA 24901
MY COMMISSION EXPIRES SEPTEMBER 11, 2020

NOTICE OF PUBLIC HEARING ON
THE CITY OF LEWISBURG
BOND ORDINANCE

A public hearing will be held on the followingentitled Ordinance at a regular meeting of the Council of the City of Lewisburg (the "City") to be held on Tuesday, October 19, 2010, at 7:30 p.m. at the City Hall, 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 CERTAIN EXTENSIONS, ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC WATERWORKS FACILITIES 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 $2,600,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 A (WEST VIRGINIA INFRASTRUCTURE FUND), PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

The above quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The City contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used to (i) to pay the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the public waterworks system of the Issuer (the "Project"), and (ii) to pay certain costs of issuance hereof and related costs. The Bonds are payable from the revenues derived from 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 September 28, 2010. A certified copy of the aboveentitled 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/ Shannon Ninnemann, Recorder

(5,12ot)

WV MUNICIPAL BOND COMMISSION
1207 Quarrier Street
Suite 401
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 12/2/2010

ISSUE: City of Lewisburg
Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)

ADDRESS: 942 Washington Street West, Lewisburg, WV 24901 COUNTY: Greenbrier

PURPOSE OF ISSUE:
New Money: x
Refunding:

REFUNDS ISSUE(S) DATED: NA

ISSUE DATE: 2-Dec-10
CLOSING DATE: 12/2/2010
ISSUE AMOUNT: $1,482,000.00
RATE: 3%
1ST DEBT SERVICE DUE: 6/1/2012
1ST PRINCIPAL DUE 6/1/2012
1ST DEBT SERVICE AMOUNT $24,855.00
PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:
Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL
Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:
Bank: City National Bank
Contact: Barbara Phillips
Phone: 304.645.2500

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: John Manchester
Position: Mayor
Phone: 304.645.2080

OTHER:
Agency: West Virginia Infrastructure & Jobs Development Council
Contact: James Ellars
Position: Director
Phone: (304) 558-4607

DEPOSITS TO MBC AT CLOSE
By: x Wire
Check

	Accrued Interest:	$	
	Capitalized Interest:	$	
x	Reserve Account:	$	98,814
	Other:	$	

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: Wire
Check
IGT

	To Escrow Trustee	$	
	To Issuer	$	
	To Cons. Invest. Fun	$	
	To Other:	$	

NOTES: Series 2010 A Bonds Reserve Account will be fully funded with bond proceeds.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

City National Bank, Lewisburg, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the City of Lewisburg (the "Issuer") enacted by the Issuer on October 19, 2010, and a Supplemental Resolution adopted by the Issuer on November 16, 2010 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated December 2, 2010, in the aggregate principal amount of $1,482,000 (the "Series 2010 A Bonds"), and agrees to serve as Depository Bank in connection with the Series 2010 A Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 2nd day of December, 2010.

CITY NATIONAL BANK

By: _____
Its: Authorized Officer

11.03.10
522450.00006

5395396

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the City of Lewisburg Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated December 2, 2010, in the principal amount of $1,482,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 2nd day of December, 2010.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

10.28.10
522450.00006

5395400

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned bond issue of the City of Lewisburg (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered City of Lewisburg Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), of the Issuer, dated December 2, 2010, in the principal amount of $1,482,000, numbered AR-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of The Huntington National Bank, as Registrar.

WITNESS my signature on this 2nd day of December, 2010.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

10.28.10
522450.00006

5395422

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 2nd day of December, 2010, by and between the CITY OF LEWISBURG, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $1,482,000 principal amount of Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), dated the date hereof, in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted October 19, 2010, and a Supplemental Resolution of the Issuer duly adopted November 16, 2010 (collectively, the "Bond Legislation");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Bond Legislation will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: City of Lewisburg
942 Washington Street West
Lewisburg, West Virginia 24901
Attention: Mayor

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate, register and deliver the Bonds in accordance with the Bond Legislation.

9. 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]

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the date first written above.

CITY OF LEWISBURG

By: _____
Its: Mayor

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

10.29.10
522450.00006

EXHIBIT A

Included in transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

Private Financial Group
P.O. Box 633 - WE3013
Charleston, West Virginia 25322-0633

Huntington

STATEMENT OF REGISTRAR'S FEES
Invoice Date December 2, 2010

City of Lewisburg
Account Number 6089001809

City of Lewisburg
Water Revenue Bonds, Series 2010 A
c/o John C. Stump
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

****

FEE CALCULATION FOR December, 2010

****

TOTAL AMOUNT	$ 500.00
TOTAL DUE	**$ 500.00**

MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035

OP ID: CM

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 11/24/10

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Insurance Services 340 MacCorkle Ave. Ste #200 Charleston, WV 25314 Brent J. Burton 304-345-8000 304-345-8014	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: LEWIS-6
INSURED City of Lewisburg John Manchester, Mayor 942 Washington Street West Lewisburg, WV 24901	INSURER(S) AFFORDING COVERAGE / NAIC # INSURER A : Argonaut Great Central Ins. Co INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC			PE-4615786-03	12/01/10	12/01/11	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG Emp Ben.	$ 2,000,000 $ 500,000 $ N/A $ 2,000,000 $ 6,000,000 $ 6,000,000 $ 2,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			PE-4615786-03	12/01/10	12/01/11	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 2,000,000 $ $ $
A	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DEDUCTIBLE X RETENTION $			PE-4615786-03	12/01/10	12/01/11	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		PE-4615786-03	12/01/10	12/01/11	WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Certificate holder is named as additional insured as respects Water Project.

CERTIFICATE HOLDER

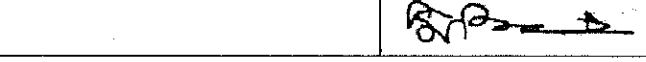
WVWDCHA

WV Water Development Authority
180 Association Drive
Charleston, WV 25311

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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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

(Water)

PROJECT: Downtown Water Line Replacement **PERMIT NO**.: 18,465

LOCATION: Lewisburg **COUNTY**: Greenbrier **DATE**: 12-14-2009

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

City of Lewisburg
942 Washington Street, West
Lewisburg, West Virginia 24901

is hereby granted approval to: Install approximately 240 LF of 12", 5,100 LF of 8" and 1,010 LF of 2" water line and all necessary valves and appurtenances.

Facilities are to replace existing deteriorating 4" and 6" cast iron water lines with new PVC pipe in the City of Lewisburg downtown area.

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
James W. Ellars, P.E., PSC
Amy Swann, PSC
Greenbrier County Health Department
OEHS-EED Beckley District Office

RECEIVED
DEC 16 2009
CHAPMAN TECHNICAL GROUP

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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

Writer's Contact Information

CLOSING MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **December 2, 2010**

Re: **City of Lewisburg, Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund)**

---

1. **DISBURSEMENTS TO CITY OF LEWISBURG**

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2010 A Bonds Proceeds
Amount:	$137,524.57
Form:	Wire
Payee:	City of Lewisburg, 942 Washington Street West, Lewisburg, WV 24901
ABA No:	051904524
Account No:	8006330479
Bank:	City National Bank, 109 S. Jefferson St., Lewisburg, WV 24901
Contact:	Barbara Phillips, 304.645.2500
Account:	Series 2010 A Bonds Project Fund

2. **DISBURSEMENTS TO MUNICIPAL BOND COMMISSION**

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2010 A Bond Proceeds
Amount:	$98,814
Form:	Wire Transfer
Payee:	City of Lewisburg
Bank:	BB&T for benefit of Municipal Bond Commission
Routing #:	051503394
Account #:	5270517317
Contact:	Sara Boardman, 304.558.3971
Account:	Series 2010 A Bonds Reserve Account

11.03.10
522450.00006

City of Lewisburg
2009 W-1118b

RESOLUTION OF THE CITY OF LEWISBURG APPROVING INVOICES RELATING TO THE CONSTRUCTION AND OTHER SERVICES FOR THE 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 pre-construction of the water project funded by the West Virginia Infrastructure & Jobs Development Council (IJDC) and find as follows:

1. That none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made.
2. 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
3. That each of such costs has been otherwise properly incurred.
4. That the payment for each of the items proposed is due and owing.

Vendor	Total	IJDC Loan
Huntington Bank	500.00	500.00
Steptoe & Johnson (bond counsel)	20,000.00	20,000.00
Steptoe & Johnson (PSC Counsel)	8,000.00	8.000.00
Chapman Tech	300.00	300.00
City Reimbursement (Chapman)	102,700.00	102,700.00
Jesse Guiles	1,870.00	1,870.00
Bassett & Lowe	3,815.00	3,815.00
City	339.57	339.57
Reserves Revised to 98,814	99,898.00	99,898.00
Total	237,422.57	237,422.57

NOW, THEREFOR, BE IT RESOLVED The City of Lewisburg by as follows: There is hereby authorized and directed the payment of the attached invoices listed above:

ADOPTED BY the City of Lewisburg, at the meeting held on the 16th day of November, 2010

By: J. L. Manchester
Its: Mayor

Katy Mallory

From: John Stump
Sent: Tuesday, November 23, 2010 2:00 PM
To: Brandy Lane; Katy Mallory; Paula Koontz
Subject: FW: Lewisburg

From: White, Ryan[SMTP:SRWHITE@JACKSONKELLY.COM]
Sent: Tuesday, November 23, 2010 2:01:23 PM
To: John Stump
Cc: Jim Ellars; Gee, Samme; Brian Blackwell
Subject: Lewisburg
Auto forwarded by a Rule

John,
The amount you have to be deposited in the debt service reserve fund is incorrect. The maximum annual debt service for the bonds is $98,814. The amount you have is $99,898. Can you please revise everything to reflect the reserve requirement? Can you then put the remaining money in contingency?
Thanks.
Ryan

S. Ryan White, Associate
Jackson Kelly PLLC
Phone: (304)340-1283
Fax: (304)340-1272
Cell: (304)685-4588
srwhite@jacksonkelly.com
V-card • BIO.

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Pursuant to the requirements related to practice before the Internal Revenue Service, any tax advice contained in this communication (including any attachments) is not intended or written to be used and cannot be used by any taxpayer for the purpose of (i) avoiding Federal tax penalties that may be

SWEEP RESOLUTION

WHEREAS, (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

2) The Mayor and Recorder are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 16th day of November, 2010.

Mayor

Recorder

United States Department of Agriculture
Rural Development
West Virginia State Office

December 2, 2010

City of Lewisburg
Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

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 2010 A (West Virginia Infrastructure Fund), in the original aggregate principal amount not to exceed $1,482,000 (the "Series 2010 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: (i) Water Revenue Bonds, Series 1975 (United States Department of Agriculture), dated December 22, 1976, issued in the original 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 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 ordinances authorizing the Prior Bonds (collectively, the "Prior Ordinances"), 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 2nd day of December, 2010.

Susan L Mercomer
Acting State Director

1550 Earl Core Road • Suite 101 • Morgantown, WV 26505
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).

WEST VIRGINIA
Water Development Authority
Celebrating 36 Years of Service ***1974 - 2010***

December 2, 2010

CITY OF LEWISBURG
Water Revenue Bonds, Series 2010 A
(West Virginia Infrastructure Fund)

TO WHOM IT MAY CONCERN:

In reliance upon the certificate of Bassett & Lowe, the independent certified public accountant, and an opinion of Steptoe & Johnson PLLC, bond counsel, that the coverage and parity tests have been met, the undersigned duly authorized representative of the West Virginia Water Development Authority (the "Authority"), the registered owner of the entire outstanding aggregate principal amount of the Series 2010 B Bonds, hereinafter defined and described, hereby consents to the issuance of the Water Revenue Bonds, Series 2010 A (West Virginia Infrastructure Fund), in the original aggregate principal amount of $1,482,000 (the "Bonds"), by the City of Lewisburg (the "Issuer"), under the terms of the ordinance authorizing the Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Issuer's Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA), dated January 27, 2010, issued in the original aggregate principal amount of $1,982,850 (the "Series 2010 B Bonds").

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By: Carol A. Cummings
Its: Authorized Representative

10.28.10
522450.00006

180 Association Drive, Charleston, WV 25311-1217
Phone (304) 558-3612 / fax (304) 558-0299
www.wvwda.org

Certification of Bidder Regarding Compliance with the
WV Jobs Act (SB 103) WV Code 21-1C-1

WV JOBS ACT REQUIREMENTS

(a) Contractors shall hire at least 75% of employees for the project from the local labor market (attached)
1) At least 2 employees from outside local labor market permissible for each employees

(b) Any employer unable to employ the minimum number of employees from the local labor market shall provide the nearest office of the Division of Employment Services, Bureau of Employment Programs the following:
1) The number of qualified employees needed; and
2) a job description of positions to be filled

(c) If, within 3 business days following the placing of the job order with the Division of Employment Services (the "Division"), the Division is unable to refer any qualified applicants to the employer or refers less qualified job applicants than the number requested, then the Division shall issue a waiver to the employer stating the unavailability of applicants and permit the employer to fill any positions covered by the waiver from outside the local labor market.

CONTRACTOR REQUIREMENTS

The contractor hereby agrees to the following:

(a) The contractor will comply with the Act and will file or cause to be filed with the WV Division of Labor and the Infrastructure Council copies of waiver certificates and certified payrolls as required by the Act, or other comparable documents that include the number of employees, the county and state where the employees reside and their occupation

(b) the contractor will follow the procedure established by the Division of Labor for efficient collection of the data;

(c) (c) the contractor will ensure that each subcontract for shall contain provisions conforming to the requirement of the Act

(d) the contractor will provide with each pay requisition a certification that the contract is in compliance with the Act

Name & Title of Signer (Please type) Christie Enyart Vice President	
Signature: Christi Enyart	Date 10/7/10

Rev. 2 April 2, 2003

Local Labor Market

The "West Virginia Labor Market" includes all counties in West Virginia and the following out-of-state counties:

KENTUCKY
Bath, Boyd, Bracken, Breatthitt, Carter, Clay, Elliott, Estill, Fleming, Floyd, Greenup, Harlan, Johnson, Knott, Lawrence, Lee, Leslie, Letcher, , Lewis, Magoefin, Martin, Mason, Menifee, Montgomery, Morgan, Nicholas, Owsley, Perry, Pike, Powell, Robertson, Rowan, and Wolfe.

MARYLAND
Allegany, Anne Arundell, Baltimore, Calvert, Carroll, Charles, Frederick, Garrett, Hartford, Howard, Montgomery, Prince George's, St Mary's and Washington.

OHIO
Adams, Ashtabula, Athens, Belmont, Brown, Carroll, Columbiana, Coshocton, Cuyahoga, Fairfield, Fayette, Franklin, Gallia, Geauga, Guernsey, Harrison, Highland, Hocking, Homes, Jackson, Jefferson, Lake, Lawrence, Licking, Mahoning, Medina, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pickaway, pike, Portage, Ross, Sciota, Stark, Summit, Thrumbull, Tuscarawas, Vinton, Washington and Wayne.

PENNSYLVANIA
Adams, Allegheny, Armstrong, Beaver, Bedford, Blair, Butler, Cambria, Clarion, Crawford, Cumberland, Dauphin, Fayette, Franklin, Fulton, Green, Huntingdon, Indiana, Jefferson, Juniata, Lawrence, Mercer, Mifflin, Perry, Somerset, Venango, Washington, Westmoreland, and York.

NORTH CAROLINA
Alleghany, Ashe, Avery, Caldwell, Forsyth, Mitchell, Rockingham, Stokes, Surry, Watuga, Wilkes and Yadkin.

TENNESSEE
Carter, Hawkins, Johnson, Sullivan, and Washington

VIRGINIA
Agusta, Alebemarle, Allegheny, Amherst, Arlington, Bath, Bedford, Botetour, Buckingham, Cambell, Carolina, Carroll, Clarke, Culpeper, Fairfax, Fauquier, Floyd, Fluvanna, Franklin, Federick, Giles, Grayson, Greene, Henry, Highland, King George, Lee, Loudon, Louisa, Madison, Montgomery, Nelson, Orange, Rage, Patrick, Pittsylvania, Prince William, Pulaski, Rappahannock, Roanoke, Rockbridge, Rockingham, Russell, Scott, Shenandoah, Spotsyvania, Staford, Smyth, Tazewell, Warren, Washington, and Wythe.

WASHINGTON D.C.
All counties

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 Syetem, 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 test 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 enacte 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 credi 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)

Municipal Building
(Post Office Box No. or Street Addres

Recorder
(Title of Attesting Official)

Lewisburg, West Virginia 24901
(City, State and Zip Code)

RECORD OF ADVANCES

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

TOTAL _____

Pay to the Order of _____

_____

UNITED STATES OF AMERICA
FARMERS HOME ADMINISTRATION

By _____

_____
(Title

(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 hereafte designate in writing, the principal sum of Four Hundred Fifty Thousand Dollars ($450,000), plus interest on the unpaid principal balance at the ra of five per cent (5%) per annum. The said principal and interest shall be in the following installments on the following dates: Installments of inte est only on the first day of each month for the first twenty-four months af the date hereof and $2,210, covering principal and interest on the first da of each month thereafter, except that the final installment shall be paid a the end of forty (40) years from the date of this Bond, and except that pre payments may be made as provided hereinbelow. The consideration herefor sh 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 Borro 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 sh be applied first to interest computed to the effective date of the payment then to principal.

Prepayments of scheduled installments, or any portion thereof, m 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 solel 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 cost 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 Bondholde 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 lless 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:

Usage	Inside City Per 1,000 Gallons	Outside City Per 1,000 Gallons	Booster Per 1,000 Gallons
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

Meter Size	Inside City	Outside City	Booster
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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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:

Grant Source	Amount
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")	235,000
Total	$4,000,000

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.

This Bond is junior and subordinate in all respects to the 1968 Bonds described in said Bond Legislation and is on a parity in all respects with the 1975 Bond described in the said Bond Legislation.

CITY OF LEWISBURG
(Name of Borrower)

[CORPORATE SEAL]

(Signature of Executive Official)

Mayor
(Title of Executive Official)

Post Office Box 548
(P. O. Box No. or Street Address)

Lewisburg, West Virginia 24901
(City, State and Zip Code)

ATTEST:

(Signature of Attesting Official)

Recorder
(Title of Attesting Official)

(Form of)

RECORD OF ADVANCES

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

TOTAL $_____

(Form of)

ASSIGNMENT

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:

Usage	Inside City Per 1,000 Gallons	Outside City Per 1,000 Gallons	Booster Per 1,000 Gallons
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

Meter Size	Inside City	Outside City	Booster
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	26.93
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 Following Public Hearing _____

_____
Mayor

_____
Recorder

09/28/82
LEWIS1-G

(Specimen 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.

This Bond is junior and subordinate in all respects to the 1968 Bonds described in said Bond Legislation and is on a parity in all respects with the 1975 Bond described in the said Bond Legislation.

CITY OF LEWISBURG
(Name of Borrower)

[CORPORATE SEAL]

(Signature of Executive Official)

Mayor
(Title of Executive Official)

Post Office Box 548
(P. O. Box No. or Street Address)

Lewisburg, West Virginia 24901
(City, State and Zip Code)

ATTEST:

(Signature of Attesting Official)

Recorder
(Title of Attesting Official)

RECORD OF ADVANCES

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

TOTAL $_____

ASSIGNMENT

Pay to the Order of _____

_____

UNITED STATES OF AMERICA
FARMERS HOME ADMINISTRATION

By _____

_____
(Title)

10/01/82
LEWIS1-M

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

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

TOTAL $_____

(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.

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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 Nienemann, 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]

Shawn Ninneman, CMC
Recorder

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]

Mayor

SPECIMEN

ATTEST:

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

Authorized Officer

SPECIMEN

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(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	

CITY OF LEWISBURG

WATER REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE
#206
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CITY OF LEWISBURG

ORDINANCE AUTHORIZING 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 LEWISBURG OF NOT MORE THAN $2,250,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM/ARRA) PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING ARRA ASSISTANCE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. 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 waterworks system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and improvements for the existing public waterworks system of the Issuer, consisting of installation of system wide water meters with radio transponders, together with all necessary appurtenances (collectively, the "Project") (the existing public waterworks 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. The Issuer intends to permanently finance the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Clean Water State Revolving Fund.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, in the total aggregate principal amount of not more than $2,250,000 in one or more series (collectively, the "Series 2010 B Bonds") initially planned to be the Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA) in the aggregate principal amount of not more than $2,250,000, (the "Series 2010 B Bonds") to permanently finance a portion of the costs of acquisition and construction of the Project, and pay the costs of issuance thereof. Such costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2010 B Bonds prior to and during acquisition or construction and for a period not exceeding 6 months after completion of acquisition and construction of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority including the Administrative Fee (as hereinafter defined) for the Series 2010 B Bonds; discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2010 B 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 2010 B Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 12 years.

F. It is in the best interests of the Issuer that its Series 2010 B Bonds be sold to the Authority pursuant to the terms and provisions of an ARRA Assistance Agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP") in the form satisfactory to the respective parties (the "ARRA Assistance Agreement") approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2010 B 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"); (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"), and (iii) Water Revenue Bonds, Series 2009 A, dated March 22, 2009, issued in the

original aggregate principal amount of $1,000,000 (the "Series 2009 A Bonds") (collectively, the "Prior Bonds").

The Series 2010 B Bonds shall be issued on a parity with the Prior Bonds, with respect to liens, pledge, source of and security for payment and in all other respects. Prior to the issuance of the Series 2010 B 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 Series 1975 Bonds and Series 1982 Bonds to the issuance of the Series 2010 B Bonds on a parity with the Prior Bonds. The Series 2009 A Bonds do not require consent. 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 covenants of the Prior Bonds and the Prior Ordinance.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Series 2010 B Bonds and the Prior Bonds and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the ARRA Assistance Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2010 B Bonds, or will have so complied prior to issuance of any thereof, including, among other things, the approval of the Project and the financing thereof by the West Virginia Infrastructure and Jobs Development Council and, if required, the obtaining of a Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2010 B Bonds or such final order will not be subject to appeal.

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

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2010 B Bonds by the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2010 B Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds and by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means, collectively, Chapter 8, Article 19 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of enactment hereof.

"Administrative Fee" means the Administrative Fee required to be paid pursuant to the ARRA Assistance Agreement.

"ARRA Assistance Agreement" means the ARRA Assistance Agreement heretofore entered, or to be entered into, by and between the Issuer and the Authority, on behalf of the DEP, providing for the purchase of the Series 2010 Bonds from the Issuer by the Authority, the form of which shall be approved and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2010 B Bonds, or any other agency, board or department of the State that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the DEP under the Act.

"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 2010 B Bonds and 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 2010 B Bonds for all or a portion of the proceeds of the Series 2010 B Bonds from the Authority.

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

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

"Consulting Engineers" means Chapman Technical Group, Inc., St. Albans, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System, or portion thereof, in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended;

provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

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

"DEP" means the West Virginia Department of Environmental Protection, or any other agency, board or department of the state that succeeds to the functions of the DEP.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of 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 City Council of the Issuer, as it may now or hereafter be constituted.

"Grants" means any grants committed to the Project.

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

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

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

"Issuer" means 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 2010 B Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2010 B Bonds Reserve Account.

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

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

"Outstanding" when used with reference to Bonds or Prior Bonds and as of any particular date, describes all Bonds or Prior Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond or Prior Bond cancelled by the Bond Registrar or Registrar for the Prior Bonds, at or prior to said date; (ii) any Bond or Prior 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; and (v) for purposes of consents or other action by a specified percentage of Bondholders, or holders of any Bonds or Prior Bonds registered to the Issuer.

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

"Paying Agent" means the Commission or such other entity or authority as may be designated as a Paying Agent by the Issuer in the Supplemental Resolution with the written consent of the Authority and the DEP.

"Prior Bonds" means the Series 1975 Bonds, the Series 1982 Bonds and the Series 2009 A Bonds.

"Prior Ordinance" means the ordinances of the Issuer, as supplemented by the supplemental resolutions of the Issuer, authorizing the Prior Bonds.

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

"Qualified Investments" means and includes any of the following, unless otherwise set forth in the Supplemental Resolution:

(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, 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 exempt from federal income taxation, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Recorder" means the Recorder of the Issuer.

"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 Ordinance.

"Reserve Accounts" means, collectively, the reserve accounts established for the Prior Bonds and the Series 2010 B Bonds.

"Reserve Requirement" means, collectively, the respective amounts required to be on deposit in any Reserve Account for the Prior Bonds and the Series 2010 B Bonds.

"Revenue Fund" means the Revenue Fund established by the Prior Ordinance.

"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 the Water Revenue Bonds, Series 2009 A, dated March 22, 2009, issued in the original aggregate principal amount of $1,000,000 and purchased by Branch Banking & Trust Company.

"Series 2010 B Bonds Construction Trust Fund" means the Series 2010 B Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2010 B Bonds" means the Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA), of the Issuer, authorized by this Bond Legislation.

"Series 2010 B Bonds Reserve Account" means the Series 2010 B Bonds Reserve Account established in Section 5.02 hereof.

"Series 2010 B Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2010 B Bonds in the then current or any succeeding year.

"Series 2010 B Bonds Sinking Fund" means the Series 2010 B Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means, collectively, the respective sinking fund accounts established for the Prior Bonds and the Series 2010 B Bonds.

"SRF Administrative Fee" means any administrative fee required to be paid under the ARRA Assistance Agreement for the Series 2009 B Bonds.

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

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

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution, ordinance or order of the Issuer supplementing or amending this Ordinance and, when preceded by the article "the," refers specifically to the supplemental resolution authorizing the sale of the Series 2010 B Bonds; provided, that any matter intended by this Ordinance to be included in the Supplemental Resolution with respect to the Series 2010 B Bonds, and not so included may be included in another Supplemental Resolution.

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

"System" means the existing waterworks system of the Issuer, as expanded and improved by the Project, and includes the complete waterworks system of the Issuer 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 the completion of the Project.

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

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 not to exceed $2,250,000, and ordered 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 2010 B Bonds, hereby authorized, shall be applied as provided in Article VI hereof.

The cost of the Project is estimated not to exceed $2,250,000 which will be obtained from the proceeds of the Series 2010 B Bonds.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF ARRA ASSISTANCE AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2010 B Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued the negotiable Series 2010 B Bonds of the Issuer. The Series 2010 B Bonds shall be issued in one or more series, each as a single bond, designated as "Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA)", in the principal amount of not more than $2,250,000 and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2010 B Bonds remaining after funding of the Reserve Accounts (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2010 B Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2010 B Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the ARRA Assistance Agreement. The Series 2010 B Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private

debts under the laws of the United States of America. Interest on the Series 2010 B Bonds, if any, shall be paid by check or draft of the Paying Agent or its agent, mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2010 B Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2010 B Bonds. The Series 2010 B Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2010 B 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 2010 B Bonds shall cease to be such officer of the Issuer before the Series 2010 B 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 such Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2010 B Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such 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 2010 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 2010 B 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 2010 B 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 2010 B Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2010 B 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 2010 B Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2010 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 2010 B 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 2010 B Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2010 B Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service on the Series 2010 B Bonds shall be secured 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 and other payments for the Series 2010 B Bonds and the Prior Bonds and to make all other payments hereinafter set forth, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2010 B Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2010 B Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2010 B 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 2010 B Bonds to the original purchasers;

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

D. Executed copies of the ARRA Assistance Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2010 B Bonds.

Section 3.10. Form of Bonds. The text of the Series 2010 B 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 2010 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA SRF PROGRAM/ARRA)

No. BR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: That on this the ____ day of _____, 2010, 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 special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____),or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20___ to and including _____ 1, 20___, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. This Bond shall not be subject to the SRF Administrative fee (as defined in the hereinafter describe Bond Legislation).

This Bond shall bear no interest. Principal installments of this Bond are forgivable quarterly as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP), and upon the terms and conditions prescribed by, and otherwise in compliance with, the ARRA Assistance Agreement by and between the Issuer and the Authority, on behalf of the DEP, dated _____, 2010.

This Bond is issued (i) to pay 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"); and (ii) to pay certain costs of issuance of 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2010, and a Supplemental Resolution duly adopted by the Issuer on _____, 2010 (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 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"); (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"), AND (III) WATER RVENUE BONDS, SERIES 2009 A, DATED MARCH 22, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,000,000 (THE "SERIES 2009 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 Revenue in favor of the Holders of the Prior Bonds, 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 2010 B Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2010 B 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 succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount

at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

[Remainder of page intentionally blank]

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 as of the day and year first written above.

[SEAL]

_____

Mayor

ATTEST:

_____

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2010.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

_____

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

Dated: _____, 20___.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of ARRA Assistance Agreement. The Series 2010 B Bonds shall be sold to the Authority, pursuant to the terms and conditions of the ARRA Assistance Agreement. If not so authorized by previous ordinance or resolution, the Mayor is specifically authorized and directed to execute the ARRA Assistance Agreement in the form attached hereto as "Exhibit A" and made a part hereof, and the Recorder is directed to affix the seal of the Issuer, attest the same and deliver the ARRA Assistance Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The ARRA Assistance Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated in this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

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

(4) Series 2010 B Bonds Construction Trust Fund.

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

(1) Series 2009 A Bonds Sinking Fund (established by Prior Ordinance and continued hereby);

(2) Series 2009 A Bonds Reserve Account (established by Prior Ordinance and continued hereby);

(3) Series 2010 B Bonds Reserve Account; and

(4) Series 2010 B Bonds Sinking Fund.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner provided in this Bond Legislation. All monies in the Revenue Fund shall be disposed of only in the following manner and 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 Series 1975 Bonds and Series 1982 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 Series 1975 Bonds and Series 1982 Bonds; (ii) the Commission the amounts required by the Prior Ordinances to pay the principal of the Series 2009 A Bonds; and (iii) remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2010 B Bonds, for deposit in the Series 2010 B Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2010 B Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2010 B Bonds Sinking Fund and the next quarterly principal payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, each month, pay from the monies in the Revenue Fund all current Operating Expenses.

(4) The Issuer shall next, on the first of each month, transfer from the Revenue Account and remit (i) to the Depository Bank the amount required by the Prior Ordinances for deposit in the respective Reserve Accounts of the Series 1975 Bonds and Series 1982 Bonds, (ii) to the Commission the amount required for deposit into the Series 2009 A Bonds Reserve Account; and (iii) commencing 4 months prior to the first date of payment of principal of the Series 2010 B Bonds, if not fully funded upon issuance of the Series 2010 B Bonds, for deposit in the Series 2010 B Bonds Reserve Account, an amount equal to 1/120th of the Series 2010 B Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2010 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2010 B Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, from the monies remaining in the Revenue Fund, transfer to the Renewal and Replacement Fund, a sum 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 account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

(6) After all the foregoing provisions for use of monies in the Revenue Fund have been fully complied with, any monies remaining therein and not permitted to be retained therein may be used to prepay installments of the Prior Bonds and the Series 2010 B Bonds, pro rata, or for any lawful purpose.

Monies in the Series 2010 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2010 B Bonds as the same shall become due. Monies in the Series 2010 B Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2010 B Bonds as the same shall come due, when other monies in the Series 2010 B Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2010 B Sinking Fund, and the Series 2010 B 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 2010 B 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 2010 B Bonds and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2010 B Bonds Reserve Account which result in a reduction in the balance of such accounts to below the respective Reserve Requirements, 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, all on a prorata basis.

As and when additional Bonds ranking on a parity with the Series 2010 B 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 2010 B Bonds Sinking Fund or the Series 2010 B Bonds Reserve Account, when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2010 B Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

Principal, interest or reserve payments, whether made for a deficiency or otherwise, shall be made on a parity and pro rata, with respect to the Prior Bonds and the Series 2010 B Bonds, in accordance with the principal amounts then outstanding.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2010 B Bonds Sinking Fund and the Series 2010 B Bonds Reserve Account, created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited. The Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2010 B Bonds Sinking Fund and the Series 2010 B Bonds Reserve Account, shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2010 B Bonds Sinking Fund and the Series 2010 B Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2010 B Bonds under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest, if any, and reserve payments with respect to the Series 2010 B Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the Administrative Fee as set forth in the Schedule Y attached to the ARRA Assistance Agreement for the Series 2010 B Bonds.

C. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as herein above 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 as surplus revenues (the "Surplus Revenues"). Surplus Revenues may be used for any lawful purpose of the System.

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

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

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

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

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

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 2010 B Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2010 B Bonds, there shall be deposited with the Commission in the Series 2010 B Bonds Reserve Accounts, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2010 B Bonds Reserve Account.

B. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2010 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2010 B Bonds Construction Trust Fund and applied solely to payment of the costs of the Project in the manner set forth in Section 6.02 hereof and, until so expended, are hereby pledged as additional security for the Series 2010 B Bonds.

C. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2010 B Bonds shall be expended as approved by the DEP.

Section 6.02. Disbursement from the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the Authority and the DEP a report listing the specific purposes for which the proceeds of the Series 2009 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly. Invoices for which repayment from the Series 2009 Bonds Construction Trust Fund will be sought must be first approved by the Issuer.

Except as provided in Section 6.01 hereof, disbursements from the Series 2009 Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP of a completed and signed "Payment Requisition Form," a form of which is attached to the ARRA Assistance Agreement, in compliance with the construction schedule; and

Pending such application, monies in the Series 2009 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 2010 B 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 2010 B 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 2010 B Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2010 B 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 the

Series 2010 B Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2010 B Bonds, or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Gross Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service on the Series 2010 B Bonds shall be secured 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 Series 2010 B Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the ARRA Assistance Agreement and the Issuer shall provide a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services of the facilities of the System shall be as set forth in the water rate ordinance of the Issuer enacted February 19, 2002, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2010 B 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 ARRA Assistance Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2010 B Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the ARRA Assistance Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the ARRA Assistance Agreement.

Section 7.05. Sale of the System. So long as the Prior Bonds are outstanding, the Issuer shall not sell, lease, mortgage or in any manner dispose of or encumber the System, or any part thereof, except as provided in the Prior Ordinance and as provided herein and with the written consent of the Authority and the DEP. So long as the Series 2010 B Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the DEP, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding, in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2010 B Bonds, immediately be remitted to the Commission for deposit in the Series 2010 B Bonds Sinking Fund and pro rata with respect to the principal amount of each of the Bonds then outstanding and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2010 B Bonds in accordance with Article X hereof. Any balance

remaining after the payment of the Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

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

No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in Section 7.07 hereof, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2010 B Bonds. All obligations issued by the Issuer after the issuance of the Series 2010 B 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 2010 B Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2010 B Bonds, and the interest, if any, thereon, upon any of the income and revenues of the System pledged for payment of the Series 2010 B Bonds and the interest, if any, thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Ordinance shall be applicable. In addition, no additional Parity Bonds payable out of the revenues of the System, shall be issued after the issuance of the Series 2010 B Bonds pursuant to this Ordinance, without the prior written consent of the Authority and the DEP and without complying with the conditions and requirements herein provided (unless less restrictive than the provisions of the Prior Ordinance).

All Parity Bonds issued hereafter shall be on a parity in all respects with the Series 2010 B Bonds.

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

So long as the Series 1975 and Series 1982 are Outstanding, no Parity Bonds shall be issued at any time, however, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues for the Fiscal Year following the year in which such Parity Bonds are to be issued shall be at least 120% of the average annual debt service requirements on the following:

(1) The Bonds Outstanding;

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

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

The foregoing limitation may be waived or modified by the written consent of the Holders of the RUS Bonds, representing 75% of the then-outstanding principal indebtedness.

So long as the Series 2009A Bonds, or Series 2010 B Bonds are outstanding, no Parity Bonds shall be issued at any time, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues 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 Resolution then Outstanding; and

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

The "estimated average increased annual Net Revenues to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from (a) the improvements to be financed by such Parity Bonds and (b) any increase in rates 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 Independent Certified Public Accountants, which shall be filed in the office of the Recorder of the Issuer prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, as stated in a certificate filed with the Recorder, on account of increased rates, rentals, fees and charges for the System enacted by the Issuer, the time for appeal of which shall have expired (without successful appeal) prior to issuance of such Parity Bonds.

All the 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 Series 2010 B Bonds and the Holders of any Parity Bonds theretofore or subsequently issued from time to time within the limitations of and in compliance with this section. All the Bonds issued on a parity, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System, and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien on the revenues of the System of which is subject to the prior and superior lien of the Series 2010 B Bonds on such revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from the revenues remaining after all payments required to be made in accordance with this Bond Legislation have first been paid. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or equally, as to lien and source of and security for payment from such revenues, with the Series 2010 B Bonds except in the manner and under the conditions provided in this section.

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 on account of 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 the Parity Bonds and the Issuer is then in full compliance with all the covenants, agreements and terms of this Bond Legislation and every ordinance supplemental thereto, or shall have fully corrected any delinquency or deficiency in such payments.

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

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

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

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

The Issuer shall file with the Authority and the DEP, or any other original purchaser of the Series 2010 B Bonds, and shall mail in each year to any Holder or Holders of the Series 2010 B Bonds, requesting the same, an annual report containing the following:

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

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation and the status of all said funds and accounts.

(C) The amount of any bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2010 B Bonds and shall submit the report to the Authority and the DEP, or any other original purchaser of the Series 2010 B Bonds. Such audit report submitted to the Authority and the DEP shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the ARRA Assistance Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

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

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

Section 7.09. Rates. Prior to the issuance of the Series 2010 B Bonds, rates or charges for the use of the services and facilities of the System will be fixed and established, all in the manner and form required by law, and a copy of such rates and charges so fixed and established shall at all times be kept on file in the office of the Recorder of the Issuer, which copy 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 and accounts created hereunder. Such schedule or schedules of rates and charges shall be revised from time to time, 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 2010 B Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2010 B Bonds, including the Prior Bonds; provided that, in the event that amounts equal to

or in excess of the reserve requirement are on deposit respectively in the Series 2010 B Bonds Reserve Account and reserve accounts for obligations on a parity with the Series 2010 B 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 2010 B Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2010 B Bonds, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services set forth in the rate ordinance currently in effect.

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 exists or in the event that the annual audit report shows 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 and shall submit a copy of such budget to the Authority and the DEP within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority, the DEP and to any Holder of any Bonds who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Authority, the DEP and any Holder of any Bonds or anyone acting for and in behalf of such Holder of any Bonds.

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

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the ARRA Assistance Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the DEP, the Project is adequate for the purposes for which it was designed, the funding plan as

submitted to the Authority and the DEP is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

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

The Issuer shall require the Consulting Engineers to submit As-Built Plans, as defined in the SRF Regulations, to the Issuer within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt.

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

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 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 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 until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2010 B 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 greater of the fair appraised value or 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. In the event of any damage to or destruction of any portion of the System, the proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repair or reconstruction of such damages or destroyed portion or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the ARRA Assistance Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the prime contractor 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 not less than 100% of the amount of any construction contract and to be required of each contractor dealing directly with the Issuer and such payment bonds will be filed with the Clerk of the County Commission of the County in which such work is to be performed prior to commencement of construction of any additions, extensions or improvements for the System in compliance with West Virginia Code, Section 38-2-39.

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

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

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

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

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

Section 7.16. 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 of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer will obtain all permits required by state and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia, the West Virginia Infrastructure and Jobs Development Council and the DEP necessary for the acquisition and construction of the Project and the operation of the System and all approvals for the issuance of the Series 2010 B Bonds required by State law, with all appeal periods having expired without successful appeal.

Section 7.18. Compliance with ARRA Assistance Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the ARRA Assistance Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP with copies of all documents submitted to the Authority. The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the DEP or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

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

Section 7.19. [RESERVED]

Section 7.20. Securities Law Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.21. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2010 B Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2010 B Bonds held in "contingency" as set forth in the schedule attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the DEP before expending any proceeds of the Series 2010 B Bonds made available due to bid or construction or project underruns.

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

Section 7.22. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2010 B 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 2010 B 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

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, the Depository Bank, or such other bank or national banking association, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank or such other bank or national banking association, as the case may be, may make any and all investments permitted by this section through its own investment or trust department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2010 B Bonds are Outstanding and as

long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2010 B Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2010 B Bonds as a condition to issuance of the Series 2010 B Bonds.

In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2010 B Bonds as may be necessary in order to maintain the status of the Series 2010 B Bonds as governmental bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2010 B Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, or the DEP, as the case may be, from which the proceeds of the Series 2010 B Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Ordinance.

The Issuer shall annually furnish to the Authority, information with respect to the Issuer's use of the proceeds of the Series 2010 B Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2010 B Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any Series 2010 B Bonds;

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2010 B Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2010 B Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, the Paying Agent or any other Paying Agent or a Holder of a Bond;

(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 Ordinance.

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 Registered Owners of the Series 2010 B Bonds shall be on a parity with those of the Registered Owners of the Prior Bonds.

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

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

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

Such receiver, in the performance of the powers herein above conferred upon him or her or it, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a

successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

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

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the Series 2010 B Bonds, the principal of and interest, if any, 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 2010 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2010 B 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 2010 B Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2010 B 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 2010 B Bonds shall be made without the consent in writing of the Registered Owners of the Series 2010 B Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2010 B Bonds or the rate of interest thereon, or in the principal

amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of the Series 2010 B Bonds required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the excludability of interest on the Series 2010 B Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this 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 2010 B Bonds.

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

Section 11.05. Conflicting Provisions Repealed. All 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, this Section shall not be applicable to the Prior Ordinance. In the event of any conflict between this Ordinance and the Prior Ordinance, the Prior Ordinance 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. 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 newspaper of general circulation in the City of Lewisburg, there being no newspaper published therein, together with a notice stating that this Ordinance has been adopted and that the Issuer contemplates the issuance of the 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.

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Section 11.08 Effective Date. This Ordinance shall take effect immediately following the public hearing hereon.

Passed on First Reading:	November 17, 2009
Passed on Second Reading:	December 15, 2009
Passed on Final Reading Following Public Hearing:	January 19, 2010

Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the CITY OF LEWISBURG on the 19th day of January, 2010.

Dated: January 27, 2010.

[SEAL]

Recorder

EXHIBIT A

ARRA Assistance Agreement included in bond transcript as Document 3

CITY OF LEWISBURG

Water Revenue Bonds, Series 2010 B
(West Virginia SRF Program/ARRA)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM/ARRA) OF THE CITY OF LEWISBURG; APPROVING AND RATIFYING THE ARRA ASSISTANCE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the City council (the "Governing Body") of the City of Lewisburg (the "Issuer" or "Governmental Agency") has duly and officially adopted and enacted a bond ordinance, effective January 19, 2010 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING 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 LEWISBURG OF NOT MORE THAN $2,250,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2010 B (WEST VIRGINIA SRF PROGRAM/ARRA) PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING ARRA ASSISTANCE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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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 the Water Revenue Bonds, Series 2010 B (West Virginia SRF Program/ARRA) in an aggregate principal amount not to exceed $2,250,000;

WHEREAS, the Series 2010 A Bonds will not be issued as the Issuer obtained funds from an Infrastructure Fund grant to pay costs not eligible to be paid by the Series 2010 B Bonds;

WHEREAS, the Bond Ordinance has authorized the execution and delivery of an ARRA Assistance Agreement relating to the Series 2010 B Bonds, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), (the "ARRA Assistance Agreement"), all in accordance with Chapter 8, Article 19 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Ordinance it is provided that the form of the ARRA Assistance Agreement and the exact principal amounts, dates, maturity dates, redemption provisions, interest rates, interest and principal payment dates, sale prices and other terms of the Series 2010 B Bonds should be established by a supplemental resolution pertaining to the Series 2010 B Bonds; and that other matters relating to the Series 2010 B Bonds be herein provided for;

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

WHEREAS, the Series 2010 B Bonds are proposed to be purchased by the Authority pursuant to the ARRA Assistance Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the ARRA Assistance Agreement be approved and ratified by the Issuer, that the exact principal amounts, the dates, the maturity dates, the redemption provisions, the interest rates, the interest and principal payment dates and the sale prices of the Series 2010 B Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2010 B 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 2010 B (West Virginia SRF Program/ARRA), of the Issuer, originally represented by a single Bond, numbered BR-1, in the original aggregate principal amount of $1,982,850. The Series 2010 B Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2020, and shall bear no interest. The principal of the Series 2010 B Bonds shall be 100% forgiven from March 1, 2011 to and December 1, 2020, as set forth in ARRA Assistance Agreement. The Series 2010 B Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the

redemption premium, if any, and otherwise in compliance with the ARRA Assistance Agreement, so long as the Authority shall be the registered owner of the Series 2010 B Bonds. The Series 2010 B Bonds are not subject to the SRF Administrative Fee.

Section 2. All other provisions relating to the Series 2010 B Bonds and the text of each series of the Series 2010 B Bonds shall be in substantially the forms provided in the Bond Ordinance.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the ARRA Assistance Agreement, a copy of which is incorporated herein by reference, and the execution and delivery of the ARRA Assistance Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the ARRA Assistance Agreement and in the applications to the DEP and the Authority. The price of the Series 2010 B Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2010 B Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2010 B Bonds under the Bond Ordinance and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2010 B Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2010 B Bonds under the Bond Ordinance.

Section 6. The Issuer does hereby appoint and designate City National Bank, Lewisburg, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2010 B Bonds proceeds in the amount of $-0- shall be deposited in the Series 2010 B Bonds Reserve Account.

Section 8. The balance of the proceeds of the Series 2010 B Bonds shall be deposited in or credited to the Series 2010 Bonds Construction Trust Funds for payment of the costs of the Project, including, without limitation, costs of issuance of the Series 2010 B Bonds and related costs.

Section 9. 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 Series 2010 B Bonds hereby and by the Bond Ordinance approved and provided for, to the end that the Series 2010 B Bonds may be delivered on or about January 27, 2010, to the Authority pursuant to the ARRA Assistance Agreement.

Section 10. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2010 B 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 11. The Issuer does hereby ratify, approve and accept all contracts relating to the financing, acquisition and construction of the Project.

Section 12. 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 Sinking Funds and the Reserve Accounts for the Series 2010 B Bonds, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer herby consents and agrees to the Special Conditions of the ARRA Assistance Agreement hereto attached as Exhibit A and incorporated herein.

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

[Remainder of Page Intentionally Blank]

Adopted this 19th day of January, 2010.

Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the City of Lewisburg on the 19th day of January, 2010.

Dated: January 27, 2010.

[SEAL]

Recorder

522450.00005

EXHIBIT A

SPECIAL CONDITIONS

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

B. AUDIT REQUIREMENT (Supplement to Article IV 4.1 (b) (xi)) – Effective October 1, 2003, the Local Government that receives $500,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

C. BUY AMERICAN CERTIFICATION – The Local Government shall cause the contractor(s) to comply with, and provide certification of, the Buy American provisions of the ARRA in accordance with final guidance from the EPA.

D. [RESERVED]

E. CONTRACTS – The Local Government shall enter into contracts or commence construction by January 28, 2010.

F. LOGO – The Local Government must display the ARRA logo in a manner that informs the public that the project is an ARRA investment.

G. LOBBYING - The Local Government shall comply with Title 40 CFR Part 34, New Restrictions on Lobbying and shall submit certification and disclosure forms as required by DEP.

H. PURCHASING REQUIREMENTS – The Local Government shall comply with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42

U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds $10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was $10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

I. SUSPENSION AND DEBARMENT – The Local Government shall comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons). To the extent required by DEP, the Local Government shall provide certifications as to compliance.

J. REPORTING – The Local Government shall comply with all requests for data related to the use of the funds provided under this agreement, including the information required in section 1512 of ARRA when requested by DEP.

K. INSPECTOR GENERAL REVIEWS – The Local Government shall allow any appropriate representative of the Office of US Inspector General to (1) examine its records relating to the Project and this ARRA Assistance Agreement and (2) interview any officer or employee of the Local Government.

L. FALSE CLAIMS – The Local Government must promptly refer to EPA's Inspector General any credible evidence that a principal, employee, agent, sub-grantee contractor, subcontractor, loan recipient, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this ARRA Assistance Agreement.

M. LIMIT ON FUNDS – The Local Government shall not use funds for particular activities for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.

N. WAGE RATES – The Local Government shall require that all laborers and mechanics employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 32 of title 40, United States Code. The Local Government must require that contractors

and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements applicable to ARRA funds.

O. OFFICE OF MANAGEMENT AND BUDGET (OMB) GUIDANCE – The Local Government acknowledges and agrees that this ARRA Assistance is subject to all applicable provisions of implementing guidance for the American Recovery and Reinvestment Act of 2009 issued by the United States Office of Management and Budget, including the Initial Implementing Guidance for the American Recovery and Reinvestment Act (M-09-10) issued on February 18, 2009 and available on www.recovery.gov, and any subsequent guidance documents issued by OMB.

P. DISADVANTAGED BUSINESS ENTERPRISE – Pursuant to 40 CFR, Section 33.301, the Local Government agrees to make good faith efforts whenever procuring construction, equipment, services and supplies, and to require that prime contractors also comply. The Local Government shall provide DEP with MBE/WBE participation reports semi-annually.

Q. CIVIL RIGHTS – The Local Government shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and a variety of program-specific statutes with nondiscrimination requirements. The Local Government shall also comply with Title VII of the Civil Rights Act of 1964 (prohibiting race, color, national origin, religion, and sex discrimination in employment), the Americans with Disabilities Act (prohibiting disability discrimination in employment and in services provided by State and local governments, businesses, and non-profit agencies), and the Fair Housing Act (prohibiting race, color, national origin, age, family status, and disability discrimination in housing), as well as any other applicable civil rights laws.

R. BOND DESIGNATION – Each Local Bond funded by ARRA funds shall be designated "Series [2009] B" and shall contain "(WVCWSRF Program/ARRA)" in the bond name.

S. USER RATES – The Local Government shall covenant that it will not reduce its approved or enacted customer rates for at least eighteen months after completion of the Project or until such time as a cost of service study has been completed establishing the actual operation and maintenance expenses.

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
CITY OF LEWISBURG
WATER REVENUE BONDS, SERIES 2010 B
(WEST VIRGINIA SRF PROGRAM/ARRA)

No. BR-1 $1,982,850

KNOW ALL MEN BY THESE PRESENTS: That on this the 27th day of January, 2010, 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 special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of ONE MILLION NINE HUNDRED EIGHTY-TWO THOUSAND EIGHT HUNDRED AND FIFTY DOLLARS ($1,982,850), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2011 to and including December 1, 2020 as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. This Bond shall not be subject to the SRF Administrative fee (as defined in the hereinafter describe Bond Legislation).

This Bond shall bear no interest. Principal installments of this Bond are forgivable quarterly as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP), and upon the terms and conditions prescribed by, and otherwise in compliance with, the ARRA Assistance Agreement by and between the Issuer and the Authority, on behalf of the DEP, dated January 27, 2010.

This Bond is issued (i) to pay 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"); and (ii) to pay certain costs of issuance of 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 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on January 19, 2010, and a Supplemental Resolution duly adopted by the Issuer on January 19, 2010 (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 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"); (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"), AND (III) WATER RVENUE BONDS, SERIES 2009 A, DATED MARCH 22, 2009, ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $1,000,000 (THE "SERIES 2009 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 Revenue in favor of the Holders of the Prior Bonds, 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 2010 B Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2010 B 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 succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar (as defined in the Bond Legislation) by the registered owner, or by its attorney duly authorized in writing, upon the

surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

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

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

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

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

[Remainder of page intentionally blank]

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 as of the day and year first written above.

[SEAL]

Mayor

SPECIMEN

ATTEST:

Recorder

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2010 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: January 27, 2010.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$99,143	January 27, 2010	(19)		
(2)			(20)		
(3)			(21)		
(4)			(22)		
(5)			(23)		
(6)			(24)		
(7)			(25)		
(8)			(26)		
(9)			(27)		
(10)			(28)		
(11)			(29)		
(12)			(30)		
(13)			(31)		
(14)			(32)		
(15)			(33)		
(16)			(34)		
(17)			(35)		
(18)			(36)		

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

BOND DEBT SERVICE

Lewisburg, City of

10 Years

Dated Date 1/27/2010

Delivery Date 1/27/2010

Period Ending	Debt Service	Series B Principal Forgiveness
12/1/2010		
3/1/2011	-49,571.25	-49,571.25
6/1/2011	-49,571.25	-49,571.25
9/1/2011	-49,571.25	-49,571.25
12/1/2011	-49,571.25	-49,571.25
3/1/2012	-49,571.25	-49,571.25
6/1/2012	-49,571.25	-49,571.25
9/1/2012	-49,571.25	-49,571.25
12/1/2012	-49,571.25	-49,571.25
3/1/2013	-49,571.25	-49,571.25
6/1/2013	-49,571.25	-49,571.25
9/1/2013	-49,571.25	-49,571.25
12/1/2013	-49,571.25	-49,571.25
3/1/2014	-49,571.25	-49,571.25
6/1/2014	-49,571.25	-49,571.25
9/1/2014	-49,571.25	-49,571.25
12/1/2014	-49,571.25	-49,571.25
3/1/2015	-49,571.25	-49,571.25
6/1/2015	-49,571.25	-49,571.25
9/1/2015	-49,571.25	-49,571.25
12/1/2015	-49,571.25	-49,571.25
3/1/2016	-49,571.25	-49,571.25
6/1/2016	-49,571.25	-49,571.25
9/1/2016	-49,571.25	-49,571.25
12/1/2016	-49,571.25	-49,571.25
3/1/2017	-49,571.25	-49,571.25
6/1/2017	-49,571.25	-49,571.25
9/1/2017	-49,571.25	-49,571.25
12/1/2017	-49,571.25	-49,571.25
3/1/2018	-49,571.25	-49,571.25
6/1/2018	-49,571.25	-49,571.25
9/1/2018	-49,571.25	-49,571.25
12/1/2018	-49,571.25	-49,571.25
3/1/2019	-49,571.25	-49,571.25
6/1/2019	-49,571.25	-49,571.25
9/1/2019	-49,571.25	-49,571.25
12/1/2019	-49,571.25	-49,571.25
3/1/2020	-49,571.25	-49,571.25
6/1/2020	-49,571.25	-49,571.25
9/1/2020	-49,571.25	-49,571.25
12/1/2020	-49,571.25	-49,571.25
	-1,982,850	**-1,982,850**

(Form of)

ASSIGNMENT

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

_____

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

Dated: _____, 20___.

_____

In the presence of:

_____