TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

Date of Closing: June 4, 2002

BOND TRANSCRIPT

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BOND TRANSCRIPT

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TOWN OF NUTTER FORT

SEWER REVENUE BONDS, SERIES 2002
(WEST VIRGINIA SRF PROGRAM)

BOND ORDINANCE

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TOWN OF NUTTER FORT

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NUTTER FORT OF NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2002 (WEST VIRGINIA SRF PROGRAM); 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 TOWN OF NUTTER FORT:

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 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. The Town of Nutter Fort (the "Issuer") is a municipal corporation and political subdivision of the State of West Virginia in Harrison County of said State.

B. The Issuer presently owns and operates a public sewerage system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments and

improvements for the existing public sewerage system of the Issuer, consisting of upgrading the System to correct inflow and infiltration, including installation, replacement, restoration, grouting and sealing joints of manholes, installation, removal and replacement of sanitary sewer lines, installation and replacement of storm sewers and cleaning, televising and inspecting the existing interceptor sealer (collectively, the "Project"), which constitute properties for the collection, treatment, purification and disposal of liquid or solid wastes, sewage or industrial wastes (the existing public sewerage system of the Issuer, the Project and any further additions, betterments and improvements thereto 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"), in connection with the West Virginia Water Pollution Control Revolving Fund program (the "SRF Program"), pursuant to the Act, in order to take advantage of the favorable terms available to the Issuer under the SRF Program.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), in the total aggregate principal amount of not more than $1,500,000 (the "Series 2002 Bonds"), initially to be represented by a single bond, to 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 and eligible under the SRF Program; interest, if any, upon the Series 2002 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 Series 2002 Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, including the SRF Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2002 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 2002 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 25 years.

F. It is in the best interests of the Issuer that its Series 2002 Bonds be sold to the Authority pursuant to the terms and provisions of a bond purchase agreement (the "Loan Agreement") by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), in form satisfactory to the Issuer, the Authority and the DEP, to be approved hereby if not previously approved by resolution of the Issuer.

G. There are no outstanding obligations of the Issuer which will rank on a parity with the Series 2002 Bonds or are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year after completion of the Project from the operation of the System will be sufficient to pay all costs of operation and maintenance of the System, the principal of and interest on the Series 2002 Bonds and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2002 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 2002 Bonds or such final order will not be subject to appeal.

J. Pursuant to the Act, the Issuer has heretofore established a Sanitary Board, and the Sanitary Board has petitioned the Council to issue the Series 2002 Bonds for the purposes set forth herein.

K. 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 2002 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 2002 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 16, Article 13 and Chapter 22C, Article 2 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 2002 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.

"Board" means the Sanitary Board of the Issuer.

"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 2002 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 2002 Bonds for all or a portion of the proceeds of the Series 2002 Bonds from the Authority and the DEP.

"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.

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

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

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

"Council" means the Council of the Issuer or any other governing body of the Issuer that succeeds to the functions of the Council as presently constituted.

"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.

"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.

"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.

"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 Town of Nutter Fort, a municipal corporation and political subdivision of the State of West Virginia, in Harrison County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the bond purchase agreement heretofore entered, or to be entered, into among the Authority, the DEP and the Issuer, providing for the purchase of the Series 2002 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.

"Mayor" means the Mayor of the Issuer.

"Net Proceeds" means the face amount of the Series 2002 Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2002 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 2002 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, 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 SRF Administrative Fee, fees and expenses of 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 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, 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; and (v) for purposes of consents or other action by a specified percentage of Bondholders, or holders of any 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.

"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 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 Investment Management Board pursuant to Chapter 12, Article 6 of the West Virginia Code of 1931, as amended; and

(i) Obligations of States or political subdivisions or agencies thereof, the interest on which is 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.

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund created herein.

"Revenue Fund" means the Revenue Fund established herein.

"Series 2002 Bonds" means the Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), of the Issuer, authorized by this Bond Legislation.

"Series 2002 Bonds Construction Trust Fund" means the Series 2002 Bonds Construction Trust Fund established by Section 5.01 hereof.

"Series 2002 Bonds Reserve Account" means the Series 2002 Bonds Reserve Account established in Section 5.02 hereof.

"Series 2002 Bonds Reserve Requirement" means, as of any date of calculation, the maximum amount of principal and interest which will become due on the Series 2002 Bonds in the then current or any succeeding year.

"Series 2002 Bonds Sinking Fund" means the Series 2002 Bonds Sinking Fund established by Section 5.02 hereof.

"SRF Administrative Fee" means any administrative fee required to be paid pursuant to the Loan Agreement.

"SRF Program" means the State's Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local 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 2002 Bonds; provided, that any matter intended by this Ordinance to be included in the

Supplemental Resolution with respect to the Series 2002 Bonds, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Series 2002 Bonds Sinking Fund and the Series 2002 Bonds Reserve Account.

"System" means, collectively, the complete existing municipal sewage treatment and collection system of the Issuer, as presently existing in its entirety or any integral part thereof, and shall include the Project and any 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.

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 order the acquisition and construction of the Project, at an estimated cost not to exceed $1,558,812, 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 2002 Bonds 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, compatible with the financing plan submitted to the SRF Program. The cost of the Project is estimated not to exceed $1,558,812, of which $1,053,812 will be obtained from proceeds of the Series 2002 Bonds, $475,000 will be obtained from proceeds of a Small Cities Block Grant, and $30,000 will be obtained from the Issuer's contribution.

ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest on the Series 2002 Bonds, funding a reserve account for the Series 2002 Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2002 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 2002 Bonds of the Issuer. The Series 2002 Bonds shall be issued as a single bond, designated "Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program)", 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 2002 Bonds remaining after funding of the Series 2002 Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest, if any, shall be deposited in or credited to the Series 2002 Bonds Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Series 2002 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 Loan Agreement. The Series 2002 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 2002 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 2002 Bonds shall initially be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2002 Bonds, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Series 2002 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 2002 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 2002 Bonds shall cease to be such officer of the Issuer before the Series 2002 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 2002 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 2002 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 2002 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 2002 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 2002 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 2002 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 2002 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 2002 Bonds or transferring the registered Series 2002 Bonds are exercised, all Series 2002 Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2002 Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Series 2002 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 2002 Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Series 2002 Bonds or, in the case of any proposed redemption of Series 2002 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 2002 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 2002 Bonds shall not, in any event, be or constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2002 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2002 Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service on the Series 2002 Bonds shall be secured by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2002 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 2002 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2002 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 2002 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 2002 Bonds to the original purchasers;

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

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2002 Bonds.

Section 3.10. Form of Bonds. The text of the Series 2002 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 BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
SEWER REVENUE BONDS, SERIES 2002
(WEST VIRGINIA SRF PROGRAM)

No. R-____ $_____

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF NUTTER FORT, a municipal corporation and political subdivision of the State of West Virginia in Harrison 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, 200__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2002.

This Bond is issued (i) to pay the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"); (ii) to fund a reserve account for the Bonds of this Series (the "Bonds"); and (iii) to pay certain costs of issuance of the Bonds and related costs. The existing public sewerage 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 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on _____, 2002, and a Supplemental Resolution duly adopted by the Issuer on _____, 2002 (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 payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2002 Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2002 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2002 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, 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 Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, the TOWN OF NUTTER FORT 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 _____, 2002.

[SEAL]

_____
Mayor

ATTEST:

_____
Recorder

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2002 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: _____, 2002.

BRANCH BANKING AND TRUST COMPANY
as Registrar

_____
Authorized Officer

(Form of)

EXHIBIT A

RECORD OF ADVANCES

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

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

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

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2002 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. The Loan Agreement, including all schedules and exhibits attached hereto, is hereby approved. 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 the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed.

Section 3.12. "Amended Schedule A" Filing. Within 60 days following the Completion Date, the Issuer will file with the Authority and the DEP a schedule the form of the which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created with 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;

(2) Renewal and Replacement Fund; and

(3) Series 2002 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 2002 Bond Sinking Fund; and

(2) Series 2002 Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer in the Revenue Fund. The Revenue Fund shall constitute a trust fund for the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner 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, each month, transfer from the Revenue Fund an amount sufficient to pay all current Operating Expenses of the System.

(2) The Issuer shall next, on the first day of each month, commencing 3 months prior to the first date of payment of principal of the Series 2002 Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2002 Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2002 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 2002 Bonds Sinking Fund and the next quarterly principal

payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(3) The Issuer shall next, on the first day of each month, commencing 3 months prior to the first date of payment of principal of the Series 2002 Bonds, if not fully funded upon issuance of the Series 2002 Bonds, transfer from the Revenue Fund and remit to the Commission for deposit in the Series 2002 Bonds Reserve Account, an amount equal to 1/120th of the Series 2002 Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2002 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 2002 Bonds Reserve Requirement.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any reserve account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in as provided herein. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided that, any deficiencies in any 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 2002 Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2002 Bonds as the same shall become due. Monies in the Series 2002 Bonds Reserve Account shall be used only for the purposes of paying principal of and interest, if any, on the Series 2002 Bonds as the same shall come due, when other monies in the Series 2002 Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2002 Bonds Sinking Fund and the Series 2002 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 2002 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 2002 Bonds and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2002 Bonds Reserve Account which result in a reduction in the balance of the Series 2002 Bonds Reserve Account to below the Series 2002 Bonds Reserve Requirement shall be subsequently restored from the first Net 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 2002 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 2002 Bonds Sinking Fund or the Series 2002 Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2002 Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2002 Bonds Sinking Fund and the Series 2002 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. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2002 Bonds Sinking Fund and the Series 2002 Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2002 Bonds Sinking Fund and the Series 2002 Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2002 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 2002

Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. The Issuer shall also on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the SRF Administrative Fee as set forth in the Loan Agreement.

C. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinabove 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 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 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 hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Net Revenues shall be applied to such deficiencies before being applied to any other payments hereunder.

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

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 2002 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2002 Bonds, there shall first be deposited with the Commission in the Series 2002 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 2002 Bonds for the period commencing on the date of issuance of the Series 2002 Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2002 Bonds, there shall be deposited with the Commission in the Series 2002 Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding of the Series 2002 Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2002 Bonds, such monies shall be deposited with the Depository Bank in the Series 2002 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 2002 Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2002 Bonds shall be expended as approved by the DEP.

Section 6.02. Disbursements 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 2002 Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments for Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2002 Bonds Construction Trust Fund shall be made only after submission to, and approval from, the Authority and the DEP of the following:

(1) a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement, in compliance with the construction schedule and

(2) a certificate, signed by an Authorized Officer and the Consulting Engineers, stating that:

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

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

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

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

Pending such application, monies in the Series 2002 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 2002 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 2002 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 2002 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2002 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 2002 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2002 Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service on the Series 2002 Bonds shall be secured by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2002 Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges , with all requisite appeal periods having expired without successful appeal. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement. The initial schedule of rates and charges for the services of the facilities of the System shall be as set forth in the sewer rate ordinance of the Issuer enacted June 22, 2001, which rates are incorporated herein by reference as a part hereof.

So long as the Series 2002 Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2002 Bonds shall prove to be insufficient to produce the required sums set forth in this

Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2002 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 2002 Bonds, immediately be remitted to the Commission for deposit in the Series 2002 Bonds Sinking Fund, and, with the written permission of the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2002 Bonds. Any balance remaining after the payment of the Series 2002 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 Series 2002 Bonds then Outstanding. The Issuer shall prepare

the form of such approval and consent for execution by the then Holders of the Series 2002 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 2002 Bonds. All obligations issued by the Issuer after the issuance of the Series 2002 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 2002 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 2002 Bonds, and the interest, if any, thereon, upon any of the income and revenues of the System pledged for payment of the Series 2002 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. Additional Parity Bonds. No Parity Bonds payable out of the revenues of the System, shall be issued after the issuance of the Series 2002 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.

All Parity Bonds issued hereafter shall be on a parity in all respects with the Series 2002 Bonds.

No such 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.

No such 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 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 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 be not less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this 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 (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 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 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 2002 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 Net Revenues of the System, and their source of and security for payment from said Net 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 2002 Bonds on such revenues. Any such subordinate bonds, notes, certificates or other obligations shall be payable from the Net 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 2002 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 Series 2002 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 2002 Bonds, and shall mail in each year to any Holder or Holders of the Series 2002 Bonds, requesting the same, an annual report containing the following:

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

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

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereof, and the Single Audit Act, or any successor thereof, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2002 Bonds and shall submit the report to the Authority and the DEP, or any other original purchaser of the Series 2002 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 Loan 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 Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

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

The Issuer shall permit the Authority or 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 2002 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 2002 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2002 Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirement are on deposit respectively in the Series 2002 Bonds Reserve Account and reserve accounts for obligations on a parity with the Series 2002 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 2002 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2002 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 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 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 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 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 Recipient As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement as Exhibit A, to the DEP within 60 days of the end of the first year after the Project is completed.

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

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the DEP in writing of the certified operator employed at the 50% completion stage.

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

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

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

are 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 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 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 2002 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 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 from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

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

requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

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

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

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

The Issuer has obtained all permits required by state and federal laws for the acquisition and construction of the Project, all orders and approvals from the Public Service Commission of West Virginia and the West Virginia Infrastructure and Jobs Development Council necessary for the acquisition and construction of the Project and the operation of the System and all approvals for the issuance of the Series 2002 Bonds required by State law, with all appeal periods having expired without successful appeal.

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 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.

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 2002 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 2002 Bonds during the term thereof is, under the terms of the Series 2002 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 2002 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 2002 Bonds during the term thereof is, under the terms of the Series 2002 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 2002 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 2002 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 2002 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 2002 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 2002 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 2002 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 (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; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2002 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 2002 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 2002 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.

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 2002 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2002 Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate 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 2002 Bonds as a condition to issuance of the Series 2002 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 2002 Bonds as may be necessary in order to maintain the status of the Series 2002 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 2002 Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority, the West Virginia Infrastructure and Jobs Development Council or the DEP, as the case may be, from which the proceeds of the Series 2002 Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority, the West Virginia Infrastructure and Jobs Development Council or the DEP, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2002 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 2002 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on any Series 2002 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 2002 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2002 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; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a 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.

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 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 2002 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 Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2002 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 2002 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 2002 Bonds, this Ordinance may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2002 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 2002 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2002 Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of the Series 2002 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 2002 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 2002 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 2002 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.

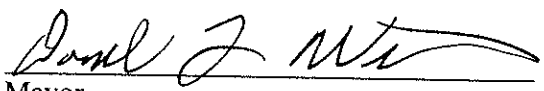
Section 11.05. Conflicting Provisions Repealed. All ordinances, orders or resolutions and or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

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

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 *Clarksburg Exponent* and the *Clarksburg Telegram*, two newspapers published and of general circulation in the Town of Nutter Fort, 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.

Passed on First Reading:	February 26, 2002
Passed on Second Reading:	March 12, 2002
Passed on Final Reading Following Public Hearing:	March 26, 2002



Mayor

CERTIFICATION

Certified a true copy of an Ordinance duly enacted by the Council of the TOWN OF NUTTER FORT on the 26th day of March, 2002.

Dated: June 4, 2002.

[SEAL]

Recorder

04/09/02
665690.98001

EXHIBIT A

Loan Agreement included in bond transcript as Document No. 3

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2002 (WEST VIRGINIA SRF PROGRAM), OF THE TOWN OF NUTTER FORT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the council (the "Governing Body") of the Town of Nutter Fort (the "Issuer") has duly and officially adopted and enacted a bond ordinance, effective March 26, 2002 (the "Bond Ordinance"), entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NUTTER FORT OF NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2002 (WEST VIRGINIA SRF PROGRAM); 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 Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), of the Issuer (the "Bonds" or the "Series 2002 Bonds"), in an aggregate principal amount not to exceed $1,500,000, and has authorized the execution and delivery of the bond purchase agreement relating to the Series 2002 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 "Loan Agreement"), all in accordance with Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and in the 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;

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

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates 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 TOWN OF NUTTER FORT:

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 Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered R-1, in the principal amount of $1,053,812. The Series 2002 Bonds shall be dated the date of delivery thereof, shall finally mature September 1, 2028 and shall bear no interest. The principal of the Series 2002 Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2003, and maturing September 1, 2028, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2002 Bonds. The Series 2002 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 Loan Agreement, so long as the Authority shall be the registered owner of the Series 2002 Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.5% of the principal amount of the Series 2002 Bonds set forth in the "Schedule Y" attached to the Loan Agreement.

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 DEP 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 Branch Banking and Trust Company, 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 Wesbanco Bank, Inc., Nutter Fort, West Virginia, to serve as Depository Bank under the Bond Ordinance.

Section 7. Series 2002 Bonds proceeds in the amount of $-0- shall be deposited in the Series 2002 Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2002 Bonds proceeds in the amount of $42,156 shall be deposited in the Series 2002 Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2002 Bonds shall be deposited in or credited to the Series 2002 Bonds Construction Trust Fund as received from the DEP 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 10. The Issuer does hereby approve the transfer of its contribution in the amount of $30,000 to be deposited in the Series 2002 Bonds Construction Trust Fund for payment of the costs of the Project.

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 June 4, 2002, to the Authority pursuant to the Loan Agreement.

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 moneys 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 moneys to be invested in such repurchase agreements or time accounts until further directed in writing by the Issuer. Moneys in the Series 2002 Bonds Sinking Fund and the Series 2002 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.

Adopted this 4th day of June, 2002.

By: _____
Its: Mayor

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Council of the Town of Nutter Fort on the 28th day of May, 2002.

Dated: June 4, 2002.

[SEAL]

Recorder

04/01/02
665690.98001

SRF-LP-1
(6/25/01)

LOAN AGREEMENT

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

TOWN OF NUTTER FORT
(Local Government)

W I T N E S S E T H:

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

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

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

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

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

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

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

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

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

WHEREAS, the Local Government has completed and filed with the Authority and DEP an Application for a Loan with attachments and exhibits and an Amended Application for a 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 the Fund having available sufficient funds therefor, the Authority and DEP are willing to lend the Local Government the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Government with moneys held in the Fund, subject to the Local Government's satisfaction of certain legal and other requirements of the Program.

NOW, THEREFORE, in consideration of the premises and the mutual

agreements hereinafter contained, the Local Government, DEP and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "fund," "local government," and "project" have the definitions and meanings ascribed to them in the Act or in the SRF Regulations.

1.2 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any successor thereto.

1.3 "Loan" means the loan to be made by the Authority and DEP to the Local Government through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.4 "Local Act" means the official action of the Local Government required by Section 4.1 hereof, authorizing the Local Bonds.

1.5 "Local Bonds" means the revenue bonds to be issued by the Local Government pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority with money held in the Fund, all in accordance with the provisions of this Loan Agreement.

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

1.7 "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.

1.8 "Program" means the wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Clean Water Act and administered by DEP.

1.9 "Project" means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the Local Government in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

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

1.11 "System" means the wastewater treatment facility owned by the Local Government, 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 Local Government by the Consulting Engineers, the DEP and Authority having found, to the extent applicable, that the Project is consistent with the applicable provisions of the Program.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and the Local Act, the Local Government 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 Local Government 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 Local Government, 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 is approved by DEP and the Authority.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

(d) The Local Government shall either have received bids or entered into contracts for the construction of the Project, which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan

will refund an interim construction financing, the Local Government must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and DEP shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit D;

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

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

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

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

(i) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

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

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF Regulations, or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Local Government and the Local Government shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Local Government 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 Local Government by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, DEP and the Local Government. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of 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 DEP.

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for loans from the Fund to finance wastewater treatment projects and that the obligation of the Authority to make any such loan is subject to the Local Government's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the

requirements of the Program. The Local Government specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to such purchase, the Authority may purchase the bonds of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all loans will be originated in conjunction with the SRF Regulations and with the prior approval of DEP.

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

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any

succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

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

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

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

(b) Covenants substantially as follows:

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

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

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

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

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

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

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

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Local Government under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law and all rights as set forth in Section 5 of the Act;

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

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

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

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

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

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

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

(xvi) That the West Virginia Municipal Bond Commission (the

"Commission") shall serve as paying agent for all Local Bonds;

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

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

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

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

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

expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

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

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

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

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

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

4.6 The obligation of the Authority to make any loans shall be conditioned

upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to make the Loan.

ARTICLE V

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

5.1 The Local Government hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Local Government 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 Local Government hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

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

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

ARTICLE VI

Other Agreements of the Local Government

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

6.2 The Local Government hereby warrants and represents that all information provided to the Authority and DEP 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 DEP 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 DEP by the Local Government in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Local Government has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act, the SRF Regulations or this Loan Agreement.

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

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

interest on the Local Bonds.

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

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

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

ARTICLE VII

Miscellaneous

7.1 Schedules X and Y shall be attached to this 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 Local Government supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

7.2 If any provision of this 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.

7.3 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.

7.4 No waiver by any 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.

7.5 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.

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

7.7 This Loan Agreement shall terminate upon the earlier of:

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

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

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

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

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.

TOWN OF NUTTER FORT
[Name of Local Government]

(SEAL)

By: _____
Its: Mayor

Attest:

Date: 5-23-02

_____
Its Recorder

WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, DIVISION OF WATER RESOURCES

By: _____
Its: Director
Date: 5-24-02

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Director

Attest:

Date: May 20, 2002

_____
Secretary-Treasurer

EXHIBIT A

[Form of Performance Certificate]

[TO BE PROVIDED BY DEP]

EXHIBIT B

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

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

Witnesseth my signature this ___ day of _____, _____.

[Name of Local Government]

By: _____
Authorized Officer

Instructions for Completing Monthly Financial Report

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

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

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

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

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

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

EXHIBIT C

PAYMENT REQUISITION FORM

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

EXHIBIT D

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

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

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

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

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

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

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

_____

By _____

West Virginia License No. _____

[SEAL]

---

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

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

EXHIBIT E

SPECIAL CONDITIONS

A. PUBLIC RELEASE REQUIREMENT - The Local Government agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, 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)) - The Local Government that receives $300,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

C. SUBMISSION OF Final Title Opinion prior to loan closing.

D. THE TOWN must obtain PSC approval of the intermunicipal agreement prior to 50% of payment reimbursement request.

EXHIBIT F

[Monthly Payment Form]

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

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

Witness my signature this ___ day of_____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

EXHIBIT G

[Opinion of Bond Counsel for Local Government]

[To Be Dated as of Date of Loan Closing]

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

West Virginia Department of Environmental Protection
1560 Kanawha Boulevard, East
Charleston, WV 25311

Ladies and Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, ____, including all schedules and exhibits attached thereto (the "Loan Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and (ii) the issue of a series of revenue bonds of the Local Government, dated _____, ____ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the 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 principal and interest payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning _____ 1, ____, and ending _____ 1, ____, all as set forth in the "Schedule Y" attached to the 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 Local Government on _____, as supplemented by the supplemental resolution duly adopted by the Local Government on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the 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 Local Government and is a valid and binding special obligation of the Local Government enforceable in accordance with the terms thereof.

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

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

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

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

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and

applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

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

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

Very truly yours,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	$1,053,812
Purchase Price of Local Bonds	$1,053,812

The Local Bonds shall bear no interest. Commencing December 1, 2003, principal of the Local Bonds is payable quarterly, with an administrative fee of 1/2%. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

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

None.

Town of Nutter Fort (West Virginia)

Loan of $1,053,812
25 Years, 0% Interest Rate, 0.5% Adminstrative Fee
Closing Date: June 4, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2002	-	-	-
12/01/2002	-	-	-
3/01/2003	-	-	-
6/01/2003	-	-	-
9/01/2003	-	-	-
12/01/2003	10,539.00	-	10,539.00
3/01/2004	10,539.00	-	10,539.00
6/01/2004	10,539.00	-	10,539.00
9/01/2004	10,539.00	-	10,539.00
12/01/2004	10,539.00	-	10,539.00
3/01/2005	10,539.00	-	10,539.00
6/01/2005	10,539.00	-	10,539.00
9/01/2005	10,539.00	-	10,539.00
12/01/2005	10,539.00	-	10,539.00
3/01/2006	10,539.00	-	10,539.00
6/01/2006	10,539.00	-	10,539.00
9/01/2006	10,539.00	-	10,539.00
12/01/2006	10,538.00	-	10,538.00
3/01/2007	10,538.00	-	10,538.00
6/01/2007	10,538.00	-	10,538.00
9/01/2007	10,538.00	-	10,538.00
12/01/2007	10,538.00	-	10,538.00
3/01/2008	10,538.00	-	10,538.00
6/01/2008	10,538.00	-	10,538.00
9/01/2008	10,538.00	-	10,538.00
12/01/2008	10,538.00	-	10,538.00
3/01/2009	10,538.00	-	10,538.00
6/01/2009	10,538.00	-	10,538.00
9/01/2009	10,538.00	-	10,538.00
12/01/2009	10,538.00	-	10,538.00
3/01/2010	10,538.00	-	10,538.00
6/01/2010	10,538.00	-	10,538.00
9/01/2010	10,538.00	-	10,538.00
12/01/2010	10,538.00	-	10,538.00
3/01/2011	10,538.00	-	10,538.00
6/01/2011	10,538.00	-	10,538.00
9/01/2011	10,538.00	-	10,538.00
12/01/2011	10,538.00	-	10,538.00
3/01/2012	10,538.00	-	10,538.00
6/01/2012	10,538.00	-	10,538.00
9/01/2012	10,538.00	-	10,538.00
12/01/2012	10,538.00	-	10,538.00
3/01/2013	10,538.00	-	10,538.00
6/01/2013	10,538.00	-	10,538.00
9/01/2013	10,538.00	-	10,538.00
12/01/2013	10,538.00	-	10,538.00
3/01/2014	10,538.00	-	10,538.00

Town of Nutter Fort (West Virginia)

Loan of $1,053,812
25 Years, 0% Interest Rate, 0.5% Adminstrative Fee
Closing Date: June 4, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2014	10,538.00	-	10,538.00
9/01/2014	10,538.00	-	10,538.00
12/01/2014	10,538.00	-	10,538.00
3/01/2015	10,538.00	-	10,538.00
6/01/2015	10,538.00	-	10,538.00
9/01/2015	10,538.00	-	10,538.00
12/01/2015	10,538.00	-	10,538.00
3/01/2016	10,538.00	-	10,538.00
6/01/2016	10,538.00	-	10,538.00
9/01/2016	10,538.00	-	10,538.00
12/01/2016	10,538.00	-	10,538.00
3/01/2017	10,538.00	-	10,538.00
6/01/2017	10,538.00	-	10,538.00
9/01/2017	10,538.00	-	10,538.00
12/01/2017	10,538.00	-	10,538.00
3/01/2018	10,538.00	-	10,538.00
6/01/2018	10,538.00	-	10,538.00
9/01/2018	10,538.00	-	10,538.00
12/01/2018	10,538.00	-	10,538.00
3/01/2019	10,538.00	-	10,538.00
6/01/2019	10,538.00	-	10,538.00
9/01/2019	10,538.00	-	10,538.00
12/01/2019	10,538.00	-	10,538.00
3/01/2020	10,538.00	-	10,538.00
6/01/2020	10,538.00	-	10,538.00
9/01/2020	10,538.00	-	10,538.00
12/01/2020	10,538.00	-	10,538.00
3/01/2021	10,538.00	-	10,538.00
6/01/2021	10,538.00	-	10,538.00
9/01/2021	10,538.00	-	10,538.00
12/01/2021	10,538.00	-	10,538.00
3/01/2022	10,538.00	-	10,538.00
6/01/2022	10,538.00	-	10,538.00
9/01/2022	10,538.00	-	10,538.00
12/01/2022	10,538.00	-	10,538.00
3/01/2023	10,538.00	-	10,538.00
6/01/2023	10,538.00	-	10,538.00
9/01/2023	10,538.00	-	10,538.00
12/01/2023	10,538.00	-	10,538.00
3/01/2024	10,538.00	-	10,538.00
6/01/2024	10,538.00	-	10,538.00
9/01/2024	10,538.00	-	10,538.00
12/01/2024	10,538.00	-	10,538.00
3/01/2025	10,538.00	-	10,538.00
6/01/2025	10,538.00	-	10,538.00
9/01/2025	10,538.00	-	10,538.00
12/01/2025	10,538.00	-	10,538.00

Town of Nutter Fort (West Virginia)

Loan of $1,053,812
25 Years, 0% Interest Rate, 0.5% Adminstrative Fee
Closing Date: June 4, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2026	10,538.00	-	10,538.00
6/01/2026	10,538.00	-	10,538.00
9/01/2026	10,538.00	-	10,538.00
12/01/2026	10,538.00	-	10,538.00
3/01/2027	10,538.00	-	10,538.00
6/01/2027	10,538.00	-	10,538.00
9/01/2027	10,538.00	-	10,538.00
12/01/2027	10,538.00	-	10,538.00
3/01/2028	10,538.00	-	10,538.00
6/01/2028	10,538.00	-	10,538.00
9/01/2028	10,538.00	-	10,538.00
Total	1,053,812.00	-	1,053,812.00 *

YIELD STATISTICS

Bond Year Dollars	$14,612.73
Average Life	13.867 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	1.86E-11
Bond Yield for Arbitrage Purposes	1.86E-11
All Inclusive Cost (AIC)	0.4538125%
IRS FORM 8038	
Net Interest Cost	-
Weighted Average Maturity	13.867 Years

*Plus $665.22 one-half percent administrative fee paid quarterly. The total fee paid over the life of the life of the loan is $66,522.

ITEM # 17

010853alj103001.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
11-19-01

Entered: October 30, 2001

CASE NO. 01-0853-S-CN

TOWN OF NUTTER FORT,
a municipal utility.
Application for a certificate of convenience and necessity to upgrade its sanitary sewer system and correct the sources of inflow and infiltration into the collections system at Nutter Fort in Harrison County.

RECOMMENDED DECISION

On June 25, 2001, the Town of Nutter Fort (Town or Applicant) filed an application, duly verified, for a certificate of convenience and necessity to upgrade its sanitary sewer system and correct the sources of inflow and infiltration into the collection system at Nutter Fort in Harrison County. The project entails installation, replacement, restoration, grouting and sealing joints of manholes; the installation, removal and replacement of sanitary sewer lines; the installation and replacement of storm sewers; and cleaning, televising and inspecting the existing interceptor sealer.

The Town estimates that the total cost of this project will not exceed $1,500,422.00. The project will be financed by a Small Cities Development Block Grant in the amount of $446,500.00, and a State Revolving Fund Loan in the amount of $1,053,922.00.

The Town anticipates charging the following increased sewer rates and charges as a result of this project:

APPLICABILITY
Applicable to entire area served

AVAILABILITY
Available for general domestic, commercial and industrial service

RATES (Based upon metered volume of water supplied)

First	2,000	gallons used per month	$7.53 per 1,000 gallons
Next	3,000	gallons used per month	$7.01 per 1,000 gallons
Next	5,000	gallons used per month	$5.90 per 1,000 gallons
Next	10,000	gallons used per month	$5.55 per 1,000 gallons
Next	25,000	gallons used per month	$4.35 per 1,000 gallons
Over	45,000	gallons used per month	$3.71 per 1,000 gallons

COPY

protest or objection concerning this application have been filed with the Public Service Commission.

On July 12, 2001, Commission Staff filed its Initial Joint Staff Memorandum in this matter. Staff stated that the Town had enacted a municipal sewer rate ordinance, which became effective on June 22, 2001, that the Town believes to be sufficient to service the additional debt associated with this project. Staff also listed additional information and documentation needed from the Applicant before the case could be processed further, and promised a final recommendation when its review was completed.

By a Commission Referral Order entered July 23, 2001, this application was referred to the Division of Administrative Law Judges for further proceedings with a decision due date of January 22, 2002.

On August 8, 2001, a Procedural Order was entered which scheduled this matter for hearing to be held on October 25, 2001, in Nutter Fort, West Virginia, should a hearing be required by later developments.

On October 15, 2001, Commission Staff filed its Final Joint Staff Memorandum in this matter. Staff stated that, currently, Nutter Fort's sewer collection system consists of a combined sanitary and storm water system that flows by gravity to the City of Clarksburg for treatment. This proposed project is necessary in order to reduce the amount of storm water run-off and normal inflow and infiltration reaching the City of Clarksburg's treatment plant, which reduction has been mandated by the State Division of Environmental Protection (DEP). Completion of this project will help insure adequate treatment plant capacity for future economic development and growth in the area. The project is convenient in that it does not financially burden the system's customers. The total project cost is estimated at $1,500,422, with a reasonable cost per customer of $1,737. The Applicant plans to finance this project with a loan from the State Revolving Fund in the amount of $1,053,922, for a term of 25 years at 0.5% interest, and a Small Cities Block Grant of $446,500. Staff confirmed that the Town of Nutter Fort has passed a municipal sewer rate ordinance with sufficient increased rates to service the debt associated with this project. The Applicant was issued a letter of approval for the plans and specifications for this project by the DEP on April 18, 2001. Commission Staff's review of these plans and specifications produced no apparent violations of the Public Service Commission's rules and regulations. Staff recommended that the Town of Nutter Fort's application for a certificate of convenience and necessity be granted and that the proposed financing be approved as well.

On October 17, 2001, the Applicant, Town of Nutter Fort, filed a letter stating that it concurred with the Staff recommendations contained in the Final Joint Staff Memorandum. Additionally, in light of the fact that there were no factual issues in dispute and that no public protests or objections had been filed, the Town requested that the hearing be cancelled pending the entry of a recommended decision in this matter. The Staff Attorney made no objection to the cancellation.

7. This project is necessary in order to reduce the amount of storm water run-off and normal inflow and infiltration reaching the City of Clarksburg's treatment plant, which reduction has been mandated by the West Virginia Division of Environmental Protection. (See, Final Joint Staff Memorandum filed October 15, 2001).

8. Pursuant to its review in this matter, Commission Staff has recommended that this application be granted and the proposed financing be approved as well. (See, Final Joint Staff Memorandum filed October 15, 2001).

9. The Applicant, Town of Nutter Fort, has filed a letter stating that it concurred with the Staff recommendations contained in the Final Joint Staff Memorandum and that no hearing was necessary in this matter. (See, letter filed October 17, 2001).

CONCLUSION OF LAW

Under the facts and circumstances of this case, the recommendation of Commission Staff and in the absence of protest or objection, it is reasonable to waive further formal proceedings and grant the Town of Nutter Fort a certificate of convenience and necessity to construct and operate the sewer improvement project specified in the application filed herein, and to approve the finance package proposed by the Applicant as well.

ORDER

IT IS, THEREFORE, ORDERED that the application for a certificate of convenience and necessity filed by the Town of Nutter Fort on June 25, 2001, shall be granted.

IT IS FURTHER ORDERED that the Town of Nutter Fort is authorized to borrow and make obligation for a loan from the State Revolving Fund in an amount not to exceed $1,053,922, for a term of 25 years at 0.5% interest, and to accept a Small Cities Block Grant of $446,500, to be applied to the project approved herein.

IT IS FURTHER ORDERED that the Applicant shall notify the Public Service Commission and seek subsequent review of this certificate should there be any material changes in the plans, scope or terms of financing of this project, and shall also notify the Commission when the Applicant's project engineer has performed the substantial completion inspection, as required by law.

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

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

West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
James D. Williams, Vice-Chairman
St. Albans
Lloyd P. Adams, P.E.
Wheeling
James L. Harrison, Sr.
Princeton

1320 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304)558-4609

Susan J. Riggs, Esquire
Executive Secretary

July 11, 1997

Kenneth P. Moran, P.E.
Thrasher Engineering, Inc
P. O. Box 1532
Clarksburg, WV 26301

Re: Nutter Fort Sanitary Board
Wastewater System Improvements Project (Resubmittal) 97S-314

Dear Mr. Moran:

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the Nutter Fort Sanitary Board's (Board) resubmitted preliminary application regarding a proposed project for improvements to its wastewater system (Project), which requests additional State Revolving Fund loan dollars of $380,000.

By letter dated June 5, 1997, the Council recommended the Board pursue a Small Cities Block Grant of $475,000 and a State Revolving Fund loan of $445,000 to finance the Project. Upon review of the resubmitted preliminary application, the Council recommends the Board pursue additional loan funds of $380,000 from the State Revolving Fund program. **Please note that this letter <u>does not</u> constitute funding approval from the State Revolving Fund.**

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

Sincerely,

Russell L. Isaacs

RLI/bh

cc: J. Michael Johnson, P.E.
Debbie Legg
James Hall

West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
James D. Williams, Vice-Chairman
St. Albans
Lloyd P. Adams, P.E.
Wheeling
James L. Harrison, Sr.
Princeton

1320 One Valley Square
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304)558-4609

Susan J. Riggs, Esquire
Executive Secretary

June 5, 1997

Kenneth Moran, P.E.
Thrasher Engineering, Inc
P. O. Box 1532
Clarksburg, WV 26301

Re: Nutter Fort Sanitary Board
Wastewater System Improvements Project 97S-314

Dear Mr. Moran:

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the Nutter Fort Sanitary Board's (Board) preliminary application regarding a proposed project for improvements to its wastewater system (Project). Based on the findings of the Sewer Technical Review Committee, the Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The Board should carefully review the enclosed comments of the Sewer Technical Review Committee. The Board may need to address certain issues raised in said comments as it proceeds with the Project.

Pursuant to its review of the preliminary application, the Council recommends the Board pursue a Small Cities Block Grant of $475,000 and a State Revolving Fund loan of $445,000 to finance the Project. Please be advised that no funding will be available from the Small Cities Block Grant program until after July 1, 1997. Please contact the Development Office at 558-4010 and the Division of Environmental Protection at 558-0641 for specific information on the steps the Board needs to follow to apply for this funding. **Please note that this letter does not constitute funding approval from these agencies.**

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

Sincerely,

Russell L. Isaacs

RLI/bh
Enclosures

cc: J. Michael Johnson
Debbie Legg
James Hall

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 4th day of June, 2002, 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 Town of Nutter Fort (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), of the Issuer, in the principal amount of $1,053,812, numbered R-1, issued as a single, fully registered Bond, and dated June 4, 2002 (the "Series 2002 Bonds").

2. At the time of such receipt, the Series 2002 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 Series 2002 Bonds, of the sum of $224,650, being a portion of the principal amount of the Series 2002 Bonds. The balance of the principal amount of the Series 2002 Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

Barbara B Meadows
Authorized Representative

TOWN OF NUTTER FORT

David J Wm
Mayor

04/01/02
665690.98001

AGENCY: ENVIRONMENTAL PROTECTION
TOTAL: $224,650.00

WARRANT #: 4-9295479
DATE: 05/30/02

TRANACTION ID	INVOICE NUMBER &	PAYEE REFERENCE	PURCHASE ORDER	AMOUNT
I005379135 1,	C544247			$224,650.0(

If you have questions concerning the above, please call 304-759-0507.

REMOVE DOCUMENT ALONG THIS PERFORATION

CTL# 10177610

THIS WARRANT HAS MULTIPLE SECURITY FEATURES TO DETER FRAUD AND COUNTERFEITING
VOID UNLESS PRESENTED FOR PAYMENT WITHIN SIX MONTHS

State of West Virginia

Important remittance information on top panel
Remitter: ENVIRONMENTAL PROTECTION
Questions? Contact: MARK DOYLE at 304-759-0507

STATE WARRANT # 4-9295479

MAY 30, 2002

PAYEE TOWN OF NUTTER FORT

**********$224,650.00**

4-9295479

WEST VIRGINIA TREASURY

John D. Perdue
STATE TREASURER

Glen B Gainer III
AUDITOR

⑈4929547⑈ ⑆051902322⑆ 5270537822⑈

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

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

Ladies and Gentlemen:

On this 4th day of June, 2002, there are delivered to you herewith:

(1) Bond No. R-1, constituting the entire original issue of the Town of Nutter Fort Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), in the principal amount of $1,053,812, dated June 4, 2002 (the "Bonds"), executed by the Mayor and the Recorder of the Town of Nutter Fort (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 March 26, 2002, and a Supplemental Resolution duly adopted by the Issuer on May 28, 2002 (collectively, the "Bond Legislation");

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

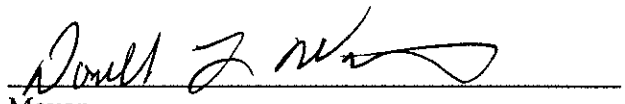
(3) Executed counterparts of the bond purchase agreement for the Series 2002 Bonds, dated May 20, 2002, by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "Loan Agreement"); and

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

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the Issuer of the sum of $224,650, 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 day and year first written above.

TOWN OF NUTTER FORT



Mayor

05/21/02
665690.98001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
SEWER REVENUE BONDS, SERIES 2002
(WEST VIRGINIA SRF PROGRAM)

No. R-1 $1,053,812

KNOW ALL MEN BY THESE PRESENTS: That the TOWN OF NUTTER FORT, a municipal corporation and political subdivision of the State of West Virginia in Harrison 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 FIFTY-THREE THOUSAND EIGHT HUNDRED TWELVE DOLLARS ($1,053,812), 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 December 1, 2003, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee (as defined in the hereinafter described Bond Legislation) shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2003, as set forth on EXHIBIT B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Department of Environmental Protection (the "DEP), and upon the terms and conditions prescribed by, and otherwise in compliance with, the BPA by and among the Issuer, the Authority and the DEP, dated May 20, 2002.

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 sewerage system of the Issuer (the "Project"); (ii) to fund a reserve account for the Bonds of this Series (the "Bonds"); and (iii) to pay certain costs of issuance of the Bonds and related costs. The existing public sewerage 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 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Ordinance duly enacted by the Issuer on March 26, 2002, and a Supplemental Resolution duly adopted by the Issuer on May 28, 2002 (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 payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System and from monies in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 2002 Bonds Reserve Account"), and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest, if any, hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2002 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds, and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 2002 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, 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 Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, the TOWN OF NUTTER FORT 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 June 4, 2002.

[SEAL]

SPECIMEN

Mayor

ATTEST:

SPECIMEN

Recorder

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2002 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: June 4, 2002.

BRANCH BANKING AND TRUST COMPANY
as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$224,650	June 4, 2002	(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

Town of Nutter Fort (West Virginia)

Loan of $1,053,812
25 Years, 0% Interest Rate, 0.5% Adminstrative Fee
Closing Date: June 4, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
9/01/2002	-	-	-
12/01/2002	-	-	-
3/01/2003	-	-	-
6/01/2003	-	-	-
9/01/2003	-	-	-
12/01/2003	10,539.00	-	10,539.00
3/01/2004	10,539.00	-	10,539.00
6/01/2004	10,539.00	-	10,539.00
9/01/2004	10,539.00	-	10,539.00
12/01/2004	10,539.00	-	10,539.00
3/01/2005	10,539.00	-	10,539.00
6/01/2005	10,539.00	-	10,539.00
9/01/2005	10,539.00	-	10,539.00
12/01/2005	10,539.00	-	10,539.00
3/01/2006	10,539.00	-	10,539.00
6/01/2006	10,539.00	-	10,539.00
9/01/2006	10,539.00	-	10,539.00
12/01/2006	10,538.00	-	10,538.00
3/01/2007	10,538.00	-	10,538.00
6/01/2007	10,538.00	-	10,538.00
9/01/2007	10,538.00	-	10,538.00
12/01/2007	10,538.00	-	10,538.00
3/01/2008	10,538.00	-	10,538.00
6/01/2008	10,538.00	-	10,538.00
9/01/2008	10,538.00	-	10,538.00
12/01/2008	10,538.00	-	10,538.00
3/01/2009	10,538.00	-	10,538.00
6/01/2009	10,538.00	-	10,538.00
9/01/2009	10,538.00	-	10,538.00
12/01/2009	10,538.00	-	10,538.00
3/01/2010	10,538.00	-	10,538.00
6/01/2010	10,538.00	-	10,538.00
9/01/2010	10,538.00	-	10,538.00
12/01/2010	10,538.00	-	10,538.00
3/01/2011	10,538.00	-	10,538.00
6/01/2011	10,538.00	-	10,538.00
9/01/2011	10,538.00	-	10,538.00
12/01/2011	10,538.00	-	10,538.00
3/01/2012	10,538.00	-	10,538.00
6/01/2012	10,538.00	-	10,538.00
9/01/2012	10,538.00	-	10,538.00
12/01/2012	10,538.00	-	10,538.00
3/01/2013	10,538.00	-	10,538.00
6/01/2013	10,538.00	-	10,538.00
9/01/2013	10,538.00	-	10,538.00
12/01/2013	10,538.00	-	10,538.00
3/01/2014	10,538.00	-	10,538.00

Town of Nutter Fort (West Virginia)

Loan of $1,053,812
25 Years, 0% Interest Rate, 0.5% Adminstrative Fee
Closing Date: June 4, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2014	10,538.00	-	10,538.00
9/01/2014	10,538.00	-	10,538.00
12/01/2014	10,538.00	-	10,538.00
3/01/2015	10,538.00	-	10,538.00
6/01/2015	10,538.00	-	10,538.00
9/01/2015	10,538.00	-	10,538.00
12/01/2015	10,538.00	-	10,538.00
3/01/2016	10,538.00	-	10,538.00
6/01/2016	10,538.00	-	10,538.00
9/01/2016	10,538.00	-	10,538.00
12/01/2016	10,538.00	-	10,538.00
3/01/2017	10,538.00	-	10,538.00
6/01/2017	10,538.00	-	10,538.00
9/01/2017	10,538.00	-	10,538.00
12/01/2017	10,538.00	-	10,538.00
3/01/2018	10,538.00	-	10,538.00
6/01/2018	10,538.00	-	10,538.00
9/01/2018	10,538.00	-	10,538.00
12/01/2018	10,538.00	-	10,538.00
3/01/2019	10,538.00	-	10,538.00
6/01/2019	10,538.00	-	10,538.00
9/01/2019	10,538.00	-	10,538.00
12/01/2019	10,538.00	-	10,538.00
3/01/2020	10,538.00	-	10,538.00
6/01/2020	10,538.00	-	10,538.00
9/01/2020	10,538.00	-	10,538.00
12/01/2020	10,538.00	-	10,538.00
3/01/2021	10,538.00	-	10,538.00
6/01/2021	10,538.00	-	10,538.00
9/01/2021	10,538.00	-	10,538.00
12/01/2021	10,538.00	-	10,538.00
3/01/2022	10,538.00	-	10,538.00
6/01/2022	10,538.00	-	10,538.00
9/01/2022	10,538.00	-	10,538.00
12/01/2022	10,538.00	-	10,538.00
3/01/2023	10,538.00	-	10,538.00
6/01/2023	10,538.00	-	10,538.00
9/01/2023	10,538.00	-	10,538.00
12/01/2023	10,538.00	-	10,538.00
3/01/2024	10,538.00	-	10,538.00
6/01/2024	10,538.00	-	10,538.00
9/01/2024	10,538.00	-	10,538.00
12/01/2024	10,538.00	-	10,538.00
3/01/2025	10,538.00	-	10,538.00
6/01/2025	10,538.00	-	10,538.00
9/01/2025	10,538.00	-	10,538.00
12/01/2025	10,538.00	-	10,538.00

Town of Nutter Fort (West Virginia)

Loan of $1,053,812
25 Years, 0% Interest Rate, 0.5% Adminstrative Fee
Closing Date: June 4, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
3/01/2026	10,538.00	-	10,538.00
6/01/2026	10,538.00	-	10,538.00
9/01/2026	10,538.00	-	10,538.00
12/01/2026	10,538.00	-	10,538.00
3/01/2027	10,538.00	-	10,538.00
6/01/2027	10,538.00	-	10,538.00
9/01/2027	10,538.00	-	10,538.00
12/01/2027	10,538.00	-	10,538.00
3/01/2028	10,538.00	-	10,538.00
6/01/2028	10,538.00	-	10,538.00
9/01/2028	10,538.00	-	10,538.00
Total	1,053,812.00	-	1,053,812.00 *

YIELD STATISTICS

Bond Year Dollars	$14,612.73
Average Life	13.867 Years
Average Coupon	-
Net Interest Cost (NIC)	-
True Interest Cost (TIC)	1.86E-11
Bond Yield for Arbitrage Purposes	1.86E-11
All Inclusive Cost (AIC)	0.4538125%

IRS FORM 8038

Net Interest Cost	-
Weighted Average Maturity	13.867 Years

*Plus $665.22 one-half percent administrative fee paid quarterly. The total fee paid over the life of the life of the loan is $66,522.

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:

_____

05/24/02
665690.98001

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW
Clarksburg Charleston Morgantown Martinsburg Wheeling Parkersburg

Bank One Center, Seventh Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoelaw.com

Writer's Contact Information

June 4, 2002

Town of Nutter Fort
Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

Town of Nutter Fort
Nutter Fort, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We are bond counsel to the Town of Nutter Fort (the "Issuer"), a municipal corporation and political subdivision of the State of West Virginia.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a bond purchase agreement dated May 20, 2002, including all schedules and exhibits attached thereto (the "Loan Agreement"), among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and (ii) the issue of a series of revenue bonds of the Issuer dated June 4, 2002 (the "Bonds"), to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are issued in the principal amount of $1,053,812, in the form of one bond, registered as to principal only to the Authority, with principal payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning December 1, 2003, and ending September 1, 2028, 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 for the purposes of (i) paying a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Issuer (the "Project"), (ii) funding a reserve account for the Bonds, and (iii) paying certain issuance and others costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond ordinance duly enacted by the Issuer on March 26, 2002, as supplemented by the supplemental resolution duly adopted by the Issuer on May 28, 2002 (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Bonds are authorized and issued, and the Loan Agreement has been undertaken. 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 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 Issuer and is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof.

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

3. The Issuer is a duly organized and presently existing municipal corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the 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 Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

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

7. The Bonds are, by statute, exempt from all taxation by the State of West Virginia or any county, municipality, political subdivision or agency thereof.

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 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,

STEPTOE & JOHNSON PLLC

04/01/02
665690.98001

LAW OFFICES
WATERS, WARNER & HARRIS, PLLC

BOYD L. WARNER
JAMES A. HARRIS
SCOTT E. WILSON
JAMES C. TURNER
G. THOMAS SMITH
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DAVID C. GLOVER
SUSAN W. GIFFORD

OF COUNSEL
STUART R. WATERS

701 GOFF BUILDING
P. O. BOX 1716
CLARKSBURG, WEST VIRGINIA 26302-1716

TELEPHONE (304) 624-5571
TELECOPIER (304) 624-7228
E-MAIL wwhatty@aol.com

May 29, 2002

Town of Nutter Fort
Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

Town of Nutter Fort
Nutter Fort, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of
Environmental Protection
Charleston, West Virginia

Steptoe & Johnson PLLC
Clarksburg, West Virginia

Ladies and Gentlemen:

We are counsel to the Town of Nutter Fort in Harrison County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, a bond purchase agreement for the Bonds, dated May 20, 2002, 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 "Loan Agreement"), a Bond Ordinance duly enacted by the Issuer on March 26, 2002, as supplemented by a Supplemental Resolution duly adopted by the Issuer on May 28, 2002 (collectively, the "Bond Legislation"), a Petition of the Sanitary Board duly adopted on March 22, 2002, 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 Bond Purchase Agreement when used herein.

We are 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 and the Sanitary Board 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. The Sanitary Board has been duly created by the Issuer and is validly existing as a sanitary board under the Act.

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

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

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 by which the Issuer or its properties are bound or any existing law, regulation, court order or consent decree to which the Issuer is subject.

5. The Issuer has received all orders and approvals from the Public Service Commission of West Virginia, including the Final Order entered on November 19, 2001, in Case No. 01-0853-S-CN, among other things, granting to the Issuer a certificate of convenience and necessity for the Project and approving the financing for the Project and approving the rates. The time for appeal of the Order has expired prior to the date hereof without any appeal.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary 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 Department of Environmental Protection, 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 an ordinance prescribing such rates and charges.

7. To the best of our 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 Bonds, Loan Agreement, the Bond Legislation, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

8. 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 our review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, we are of the opinion that such surety bonds and policies (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Legislation and the Loan Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

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

Very truly yours,

WATERS, WARNER & HARRIS, PLLC

By: David C. Glover
David C. Glover

LAW OFFICES
WATERS, WARNER & HARRIS, PLLC

BOYD L. WARNER
JAMES A. HARRIS
SCOTT E. WILSON
JAMES C. TURNER
G. THOMAS SMITH
D. ANDREW McMUNN
DAVID C. GLOVER
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STUART R. WATERS

701 GOFF BUILDING
P. O. BOX 1716
CLARKSBURG, WEST VIRGINIA 26302-1716

TELEPHONE (304) 624-5571
TELECOPIER (304) 624-7228
E-MAIL wwhatty@aol.com

June 4, 2002

West Virginia Department of Environmental Protection
1560 Kanawha Boulevard, East
Charleston, West Virginia 25311

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

Re: The Town of Nutter Fort Sewer Project
DEP-SRF Project #C-544247
SCBG #99 - SCBG #0050

Ladies and Gentlemen:

This firm represents the Town of Nutter Fort (hereinafter "Town") with regard to the above-referenced Project, and provides this final title opinion on behalf of the Town to satisfy the requirements of the West Virginia Department of Environmental Protection with regard to the financing proposed for the Project. As such, please be advised of the following:

1. That we are of the opinion that the Town is a duly created and existing municipality possessed with all 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 West Virginia Department of Environmental Protection and the Public Service Commission of West Virginia.

2. With the exception of Public Service Commission approval of the extension thru 2033 of the existing sewer treatment agreement between the Town and the City of Clarksburg, that the Town has obtained all necessary permits and approvals for the construction of the Project. The Town has filed a Petition with the Public Service Commission for approval of said Extension Agreement and is optimistic that approval will be forthcoming in the very near future.

3. That we have investigated and ascertained the location of and we are 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 Thrasher Engineering, Inc., the consulting engineers for the Project.

4. That we have examined the records on file in the Office of the Clerk of the County Commission of Harrison County, West Virginia, the County in which the Project is to be located and, in our opinion, the Town of Nutter Fort has acquired legal title or such other estate or interests in all the necessary site components for the Project, including 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 facility to be constructed.

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

If you should have any questions regarding this matter or any of the information contained in this letter, please do not hesitate to contact me.

Very truly yours,

David C. Glover

DCG:djm

cc: Honorable Donald Webster, Mayor
Town of Nutter Fort
1415 Buckhannon Pike
Nutter Fort, West Virginia 26301

Vincent A. Collins, Esquire
Steptoe & Johnson
P. O. Box 2190
Clarksburg, West Virginia 26302-2190

cc: John C. Stump, Esquire
Steptoe & Johnson
P. O. Box 1588
Charleston, West Virginia 25326-1588

Leah Wolfe
Region VI Planning and Development Council
7003-C Mountain Park Drive
White Hall, West Virginia 26554

Ken Moran, P.E.
Thrasher Engineering, Inc.
30 Columbia Boulevard
P. O. Box 1532
Clarksburg, West Virginia 26301

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

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. RATES
12. SIGNATURES AND DELIVERY
13. BOND PROCEEDS; OTHER FUNDS
14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE
15. PUBLIC SERVICE COMMISSION ORDERS
16. SPECIMEN BOND
17. CONFLICT OF INTEREST
18. CLEAN WATER ACT
19. PROCUREMENT OF ENGINEERING SERVICES
20. INTERMUNICIPAL AGREEMENT
21. EXECUTION OF COUNTERPARTS

We, the undersigned MAYOR and RECORDER of the Town of Nutter Fort in Harrison County, West Virginia (the "Issuer"), and the undersigned COUNSEL to the ISSUER, hereby certify in connection with the Issuer's Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), dated the date hereof (the "Bonds" or the "Series 2002 Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond

Ordinance of the Issuer duly enacted March 26, 2002, and the Supplemental Resolution duly adopted May 28, 2002 (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 Net Revenues or any grants, or in any way contesting or affecting the validity of the Bonds, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the collection of the Gross Revenues or the pledge of Net Revenues as security for the Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been 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 Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are no outstanding obligations of the Issuer which will rank on a parity with the Series 2002 Bonds as to liens, pledge, source of and security for payment or are secured by revenues or assets of the System.

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

SRF Loan Agreement

Public Service Commission Order
Infrastructure and Jobs Development Council Approval

Charter and Rules of Procedure

Oaths of Office of Officers and Councilmembers

Ordinance Creating Sanitary Board and Oaths of Office of Officers

Petition of Sanitary Board

Sewer Rate Ordinance

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

Minutes on Adoption and Enactment of Sewer Rate Ordinance

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

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

NPDES Permit

Intermunicipal Agreement with the City of Clarksburg

Small Cities Block Grant

Evidence of Insurance

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

Name		Date of Commencement of Office	Date of Termination of Office
Donald Webster	- Mayor	07/01/01	06/30/03
Sam Maxson	- Recorder	07/01/01	06/30/03
Thomas Betler	- Councilmember	07/01/01	06/30/03
John Carter	- Councilmember	07/01/01	06/30/03
Barbara Gorby	- Councilmember	07/01/01	06/30/03
Bruce Kidd	- Councilmember	07/01/01	06/30/03
Kazem Nasseri	- Councilmember	07/01/01	06/30/03

The names of the duly appointed, qualified and acting members of the Sanitary Board of the Issuer are as follows:

Chairman	-	Donald Webster
Member	-	Bunie Harper, P.E.
Member	-	Thomas Ruziska
Secretary & Treasurer	-	Tammy Gwinn

The duly appointed and acting Counsel to the Issuer is Waters, Warner & Harris PLLC, in Clarksburg, West Virginia.

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

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

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

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

11. RATES: The Issuer has duly enacted a sewer rate ordinance on June 22, 2001, setting rates and charges for the services of the System. The time for appeal of such sewer rate ordinance has expired prior to the date hereof without any appeal, and such rates are currently effective.

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

13. BOND PROCEEDS; OTHER FUNDS: On the date hereof, the Issuer received the sum of $182,494 from the Authority and the DEP, 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. The Issuer will contribute $30,000 of its own funds to pay the costs of acquisition and construction of the Project. As of the date hereof, the Small Cities Block Grant in the amount of $475,000 is committed and in full force and effect.

14. PUBLICATION AND PUBLIC HEARING ON BOND ORDINANCE: Upon adoption of the Bond Ordinance, an abstract thereof, determined by the Governing Body to contain sufficient information as to give notice of the contents thereof, was published once each week for 2 successive weeks, with not less than 6 full days between each publication, the first such publication occurring not less than 10 days before

the date stated below for the public hearing, in the *Clarksburg Telegram* and *The Clarksburg Exponent*, two qualified newspapers published and of general circulation in the Town of Nutter Fort, together with a notice to all persons concerned, stating that the Bond Ordinance had been adopted and that the Issuer contemplated the issuance of the Bonds described in such Bond Ordinance, stating that any person interested may appear before the Governing Body at the public hearing held at a public meeting of Governing Body on the 26th day of March, 2002, at 7:30 p.m., at the Town Hall, 1414 Buckhannon Pike, Nutter Fort, West Virginia, and present protests, and stating that a certified copy of the Bond Ordinance was on file at the office of the Recorder of the Issuer for review by interested parties during the office hours of the Issuer. At such hearing all objections and suggestions were heard by the Governing Body and the Bond Ordinance became finally adopted, enacted and effective as of the date of such public hearing, and remains in full force and effect.

15. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on November 19, 2001, in Case No. 01-0853-S-CN, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the Project and approving the rates. The time for appeal of the Final Order has expired prior to the date hereof without any appeal.

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

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

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

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

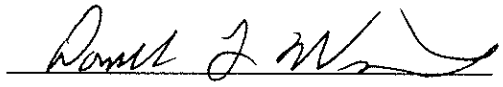
20. INTERMUNICIPAL AGREEMENT: The Issuer hereby certifies that it will promptly and diligently obtain the approval from the West Virginia Public Service Commission of the sewage treatment agreement between the Issuer and the City of

Clarksburg regarding an extended term prior to 50% of the proceeds of the Series 2002 Bonds being disbursed.

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.

WITNESS our signatures and the official seal of the TOWN OF NUTTER FORT on this 4th day of June, 2002.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Mayor
	Recorder
_____	Counsel to the Issuer

04/01/02
665690.98001

WITNESS our signatures and the official seal of the TOWN OF NUTTER FORT on this 4th day of June, 2002.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
_____	Mayor
_____	Recorder
David C. Allen	Counsel to the Issuer

05/23/02
665690.98001

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

CERTIFICATE OF ENGINEER

I, Kenneth P. Moran, Registered Professional Engineer, West Virginia License No. 11309 of Thrasher Engineering, Inc.,Clarksburg, 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 sewerage system (the "System") of the Town of Nutter Fort (the "Issuer") to be constructed primarily in Harrison County, West Virginia, which acquisition and construction are being permanently financed, in part, by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Bond Ordinance enacted by the Issuer on March 26, 2002, as supplemented, and the bond purchase agreement, by and among the Issuer, the West Virginia Department of Environmental Protection ("DEP") and the West Virginia Water Development Authority (the "Authority"), dated May 20, 2002 (the "Loan Agreement").

2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; (ii) funding a reserve account for the Bonds; and (iii) paying certain costs of issuance of the Bonds 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 DEP and any change orders approved by the Issuer, the DEP and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least twenty-five (25) 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 set forth in the Schedule A, attached hereto as Exhibit A and the Issuer's counsel, Waters, Warner & Harris PLLC, has ascertained that all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the DEP and the bid forms provided to the bidders contain the 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

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; (ix) in reliance upon the certificate of Issuer's certified public accountant, Tetrick, Bartlett & Co., 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; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 4th day of June, 2002.

THRASHER ENGINEERING, INC.

(SEAL)

Kenneth P. Moran, P.E.
West Virginia License No. 11309

05/21/02
665690.98001

SCHEDULE A

NAME OF GOVERNMENTAL AGENCY: Town of Nutter Fort

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

		A. Cost of Project	
1.	Construction	$ 1,095,835	
2.	Technical Services	$ 203,900	
3.	Legal and Fiscal	$ 37,500	
4.	Administrative	$ 50,000	
* 5.	Site and Other Lands	$ 23,000	
** 6.	Fac. Plan/Design or Other Loan Repayment (Specify Type: (IV Carrera, See attached #23))	$ 31,385	
7.	Interim Financing Costs	$ 0	
8.	Contingency	$ 56,036	
9.	Miscellaneous (See note below)	$ 3,000	
10.	Total of Lines 1 Through 9		$ 1,500,656

			B. Sources of Funds	
11.	Federal Grants:[1] (Specify Sources)	SCBG	$ 475,000	
12.	State Grants:[1] (Specify Sources)		$	
13.	Other Grants:[1] (Specify Sources)		$	
14.	Any Other Source[2] (Specify)	Local (Water Dept	$ 30,000	
15.	Total of Lines 11 Through 14		$	
16.	Net Proceeds Required from Bond Issue (Line 10 minus Line 15)			$ 505,000
				$ 995,656

		C. Cost of Financing	
17.	Bond Council	$ 16,000	
18.	Funded Reserve Account:[3]	$ 42,156	
19.	Total Cost of Financing (lines 17 + 18)		$ 58,156
20.	Size of Bond Issue (Line 16 plus Line 19)		$ 1,053,812

* not allowable for State Revolving Fund Assistance
* WDA loans associated with EPA grants are not allowable

gnature of Applicant

ate 5-23-02

Signature of Consulting Engineer

Date 5/22/02

Note: Miscellaneous includes: WV NPDES Erosion and Sediment Control Permit fees, WVDOH Inspection fees, Advertising fees, and other permit costs.

Tetrick & Bartlett, PLLC
Certified Public Accountants
Consultants

122 N. Oak St. • PO Box 1916 • Clarksburg, WV 26302-1916 • (304) 624-5564 • Fax: (304) 624-5582 • E-mail: TBCPA@tetrickbartlett.com

June 4, 2002

Town of Nutter Fort
Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

Town of Nutter Fort
Nutter Fort, West Virginia

West Virginia Water Development
Authority
Charleston, West Virginia

West Virginia Department of
Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the rates and charges set forth in the Ordinance of the Town of Nutter Fort (the "Issuer"), enacted June 22, 2001, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Thrasher Engineering, Inc., it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system of the Issuer (the "System"), will pay all repair, operation and maintenance expenses of the System and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program) (the "Bonds"), to be issued in the original aggregate principal amount of $1,053,812 to the West Virginia Water Development Authority on the date hereof.

Very truly yours,

Tetrick & Bartlett, PLLC

Tetrick & Bartlett, PLLC

5. The Series 2002 Bonds were sold on June 4, 2002, to the Authority, pursuant to a bond purchase agreement dated May 20, 2002, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of $1,053,812 (100% of par) (the "Loan Agreement"), at which time, the Issuer received $224,650 from the Authority and the DEP, being the first advance of the principal amount of the Series 2002 Bonds. No accrued interest has been or will be paid on the Series 2002 Bonds. The balance of the principal amount of the Series 2002 Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2002 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 sewerage system of the Issuer (the "Project"); (ii) funding a reserve account for the Bonds; 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 2002 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 September 1, 2003. The acquisition and construction of the Project is expected to be completed by June 1, 2003.

8. The total cost of the Project financed from the proceeds of the Bonds (including all costs of issuance of the Bonds) is estimated at $1,558,812. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2002 Bonds	$1,053,812
Small Cities Block Grant	$ 475,000
Issuer's Contribution	$ 30,000
Total Sources	$1,558,812

USES

Costs of Acquisition and Construction of the Project	$1,500,656
Costs of Issuance	$16,000
Funding Reserve Account	$42,156
Total Uses	$1,558,812

9. Pursuant to Article V of the Bond Ordinance, the following special funds or accounts have been created or continued relative to the Series 2002 Bonds:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2002 Bonds Construction Trust Fund.

(4) Series 2002 Bonds Sinking Fund; and

(5) Series 2002 Bonds Reserve Account.

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

(1) Proceeds of the Series 2002 Bonds in the amount of $42,156 will be deposited with the Commission in the Series 2002 Bonds Reserve Account.

(2) As the Issuer receives advances of the remaining monies derived from the sale of the Series 2002 Bonds, such monies shall be deposited with the Depository Bank in the Series 2002 Bonds Construction Trust Fund and applied solely to payment of the costs of the Project and, until so expended, are hereby pledged as additional security for the Series 2002 Bonds.

11. Monies held in the Series 2002 Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2002 Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2002 Bonds Sinking Fund and Series 2002 Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2002 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 12 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2002 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 or governmental bonds.

23. The Issuer has either (a) funded the Series 2002 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 2002 Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2002 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. Monies in the Series 2002 Bonds Reserve Account and the Series 2002 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.

WITNESS my signature on this 4th day of June, 2002.

TOWN OF NUTTER FORT

By: _____
Its: Mayor

05/21/02
665690.98001

A CERTIFICATE under oath of J. K. Musser, Ethel Jones and J. M. George has been filed showing that a majority of all the qualified voters residing within the following limits or boundary, to-wit:- Beginning at a point on the southwest side of Elk Creek, corner to Missouri Nixon lands; thence with same and other lands South twenty-seven and one-half degrees (27½°) West seventeen hundred and seventy-five (1775) feet to a stake, corner to Fairgrounds Addition; thence North eighty-eight degrees (88°) West seven hundred and thirty-five (735) feet to a stake, crossing the Clarksburg and Buckhannon Pike at four hundred and thirty-five (435) feet; South, five and three-fourth degrees (5 3/4°) East sixteen hundred and fifty feet (1650) to the line between C. W. Mills and the White Addition; thence with the said line South twenty-six and one-half degrees (26½°) West fourteen hundred (1400) feet to a stone and walnut pointers, to lands of W. G. Kester; thence with same South sixty-six and one-half degrees (66½°) East five hundred and fifty-seven (557) feet to a stake; thence with other lines North fifty-six and one-half degrees (56½°) East eleven hundred and thirty-five (1135) feet to a stake; thence South forty-four degrees (44°) East thirteen hundred and twenty (1320) feet to Elk Creek north of old ford; thence down said creek on west side North seven degrees (7°) East three hundred and seventy (370) feet; thence North twenty-three degrees (23°) East five hundred and three (503) feet to a stake on the south side of

Nutter Run at the mouth thereof; thence with Elk Creek sixty-two hundred (6200) feet to the beginning, and containing two hundred and twenty-eight (228) acres, - has been given in due form of law in favor of the incorporation of the Town of Nutter Fort in Clark District of Harrison County, West Virginia, bounded and described as hereinbefore set out.

And it appearing from said papers to the satisfaction of the Court that all of the provisions of Chapter 47 of the Barnes Code of West Virginia of 1923, have been complied with by the applicants for said incorporation, the said Town of Nutter Fort is duly authorized, within the corporate limits aforesaid, to exercise all the corporate powers conferred by said charter from and after the date of this certificate.

Given under my hand and the Seal of said Court this the 30th day of July, 1923.

R. B. Phillips Clerk

STATE OF WEST VIRGINIA,
In the Clerk's Office of Harrison County Court
January 17 1938, 3:20 P M.
The foregoing Certificate
was this day presented in said office and duly admitted to record.
Attest: Charles F. Marbee Clerk
By Mary Dolan McDaniel Deputy Clerk

TOWN OF NUTTER FORT

RESOLUTION ON OPEN GOVERNMENTAL PROCEEDINGS RULES

Pursuant to Chapter 6, Article 9A, Section 3 of the West Virginia Code, the Council of the Town of Nutter Fort does hereby adopt the following rules to make available, in advance, the date, time, place and agenda of all regularly scheduled meetings of the Council, and the date, time, place and purpose of all special meetings of the Council to the public and news media (except in the case of an emergency requiring immediate action) as follows:

1. Regular Meetings. A notice shall be posted and maintained by the Recorder at the front door or bulletin board of the Nutter Fort Town Hall of the date, time and place fixed and entered of record by Council for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same location by the Recorder not less than 72 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is canceled or postponed, a notice of such cancellation or postponement shall be posted at the same location as soon as feasible after such cancellation or postponement has been determined.

2. Special Meetings. A notice shall be posted by the Recorder at the front door or bulletin board of the Nutter Fort Town Hall not less than 72 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is canceled, a notice of such cancellation shall be posted at the same location as soon as feasible after such cancellation has been determined.

These rules regarding notice of meetings shall replace any and all previous rules heretofore adopted by Council.

Adopted this 9 day of April, 2002.

[SEAL]

Mayor

ATTEST:

Recorder

CR504303.1

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Mayor to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Donald J Nett

Subscribed and sworn to before me, in said County and State, this 3 day of July, 2001.

Marcia Ford

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Council to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance John W Carter

Subscribed and sworn to before me, in said County and State, this 5 day of JULY, 2001.

Diana Ford

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Council to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Kazem Nasser

Subscribed and sworn to before me, in said County and State, this 5 day of JULY, 2001.

Marcia Gorey

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Recorder to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Barbara M. Gorby

Subscribed and sworn to before me, in said County and State, this 5 day of JULY, 2001.

Diana Gorby

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Council to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance

Subscribed and sworn to before me, in said County and State, this 5 day of JULY, 2001.

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Council to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Barbara M Gorby

Subscribed and sworn to before me, in said County and State, this 5 day of JULY, 2001.

Barbara Gorby

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Office of Council to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Thomas B Butler

Subscribed and sworn to before me, in said County and State, this 5 day of JULY, 2001.

Marie Ford

"AN ORDINANCE CREATING A SANITARY BOARD FOR THE CITY OF NUTTER FORT, IN HARRISON COUNTY, WEST VIRGINIA, PRESCRIBING THE QUALIFICATIONS AND FIXING THE COMPENSATION OF ITS MEMBERS, DEFINING ITS POWERS AND DUTIES:

BE IT ORDAINED BY THE CITY OF NUTTER FORT:

Section 1. That there be and is created a Sanitary Board for the City of Nutter Fort in Harrison County, West Virginia.

Section 2. That the Sanitary Board of the City of Nutter Fort shall be appointed by the City Council, and the members of said Board, upon their appointment, shall qualify by taking the oath of office required of other public officials of the city.

Section 3. That the Sanitary Board, as herein created, shall be composed of the Mayor of the City of Nutter Fort and two persons appointed by the City Council, one of which must be a registered professional engineer. The engineer member of said Board need not be a resident of said city. No officer or employee of the City of Nutter Fort shall be eligible for appointment on said Sanitary Board until at least one year after the expiration of the term of his public office.

Section 4. That the appointment of the original two members of said Board shall be for the term of two and three years respectively, and upon the expiration of each term, and each succeeding term thereafter, the appointment of a successor shall be made in the like manner for a term of three years. Vacancies shall be filled for the unexpired term in the same manner as the

original appointment. The Mayor's term shall coincide with his tenure of office.

Section 5. That the Sanitary Board shall have the control over and supervision of construction, acquisition, improvement, equipment, custody, operation and maintenance of any sewage collection system and sewage treatment plant or plants; intercepting sewers; outfall sewers; force mains; pump stations and ejector stations as hereafter may be constructed within and for the benefit of the residents of the City of Nutter Fort as well as the collection, treatment, purification and disposal, in a sanitary manner of liquid and solid waste, night soil and industrial waste of the City of Nutter Fort; and in addition thereto. said Board shall be vested with and shall exercise all of the rights and perform all of the duties conferred upon it by Articles 11 and 13 of Chapter 16 of the Code of West Virginia, and all acts amendatory and supplementary thereto.

Section 6. That the Mayor of said city shall act as chairman of the Sanitary Board, which shall select from its members a vice chairman and shall designate a secretary and treasurer (but the secretary and treasurer may be one and the same), who need not be a member or members of the Sanitary Board, The vice chairman, secretary and treasurer shall hold office at the will of the Sanitary Board. The appointive members of the Sanitary Board shall each receive as compensation for their services the sum of $5.00 for each meeting of the board, provided, that the members of the board shall not be paid for

meetings in excess of six meetings per month.

Section 7. This ordinance shall be effective from passage.

Section 8. The provisions of this ordinance are several, and if any section, provision, sentence, clause or word of this ordinance be declared invalid, such decision shall not affect or impair any of the remaining provisions of this ordinance. It is hereby declared to be the intent of the Council of said City that this ordinance would have been adopted had the invalid portion not been included therein.

Passed by the Council of the City of Nutter Fort the 23 day of Feb, 1960.

John W Beezley
Mayor

Attest:

Ruth V. Newhouse
Recorder

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Sanitary Board to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Bernie E. Hayes

Subscribed and sworn to before me, in said County and State, this 22nd day of March, 2002.

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Sanitary Board to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance Tom Ruzicka

Subscribed and sworn to before me, in said County and State, this 22nd day of March, 2002.

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA
TOWN OF NUTTER FORT
HARRISON COUNTY, TO-WIT:

I do hereby swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of the Sanitary Board to the best of my skill and judgment: SO HELP ME GOD.

Signature of Affiance _____

Subscribed and sworn to before me, in said County and State, this 22nd day of March, 2002.

_____, Recorder

BYLAWS AND RULES OF PROCEDURE

TOWN OF NUTTER FORT SANITARY BOARD

ARTICLE I

NAME, PLACE OF BUSINESS AND FISCAL YEAR

Section 1. Name: TOWN OF NUTTER FORT SANITARY BOARD

Section 2. The principal office of the Town of Nutter Fort Sanitary Board will be located at the Nutter Fort Town Hall, 1415 Buckhannon Pike, Nutter Fort, West Virginia 26301.

Section 3. The fiscal year of the Town of Nutter Fort Sanitary Board shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II

PURPOSE

The Town of Nutter Fort Sanitary Board is organized exclusively for the purposes set forth in Chapter 16, Article 13 of the West Virginia Code of 1931, as amended (the "Act")

ARTICLE III

MEMBERSHIP

Section 1. The members of the Sanitary Board shall be composed of the Mayor and two persons appointed by the governing body pursuant to the Act, who shall serve for such terms as specified in the Act.

Section 2. Should any member of the Sanitary Board resign or otherwise become legally disqualified to serve as a member of the Sanitary Board, the Sanitary Board shall appoint a qualified person to fill such vacancy for the unexpired term thereof in the same manner as the original appointment, and as further prescribed under the Act.

ARTICLE IV

MEETINGS OF THE SANITARY BOARD

Section 1. The members of the Sanitary Board shall hold regular meetings each month at the call of the chairman at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Sanitary Board may be called at any time by

the Chairman or by a quorum of the Sanitary Board. All meetings shall be open to the public and news media.

Section 2. At any meeting of the Sanitary Board, two members shall constitute a quorum. Each member of the Sanitary Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise agreed, notice to members of regular meetings shall not be required. Unless otherwise waived, notice of each special meeting of the membership shall be given to all members by the Secretary by fax, telephone, mail or other satisfactory means at least 3 days before the date fixed for such special meeting. The notice of any special meeting shall state briefly the purpose or purposes of such meeting and the nature of the business to be transacted thereat, and no business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), notice of the date, time, place and agenda of all regularly scheduled meetings of the Sanitary Board, and the date, time, place and purpose of all special meetings of the Sanitary Board, shall be made available, in advance, to the public and news media (except in the event of an emergency requiring immediate action) as follows:

A. Regular Meetings. A notice shall be posted and maintained by the Secretary of the Sanitary Board at the front door or bulletin board of the Nutter Fort Town Hall of the date, time and place fixed and entered of record by the Sanitary Board for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same locations by the Secretary of the Sanitary Board not less than 72 hours before such regular meeting is to be held. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. A notice shall be posted by the Secretary of the Sanitary Board at the front door or bulletin board of the Nutter Fort Town Hall not less than 72 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. If the special meeting is cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

ARTICLE V

OFFICERS

Section 1. The officers of the Sanitary Board shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer. The Chairman shall be the Mayor. The Vice Chairman shall be elected from the members of the Sanitary Board. The Secretary and Treasurer need not be members of the Sanitary Board, and may be the same person.

Section 2. The Vice Chairman, Secretary and Treasurer of the Sanitary Board shall hold office as such at the will of the Sanitary Board. Any vacancy occurring among the officers shall be filled by the members of the Sanitary Board at a regular or special meeting in the same manner as the original appointment.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Sanitary Board. The Chairman shall, together with the Secretary, sign the minutes of all meetings at which he or she shall preside. The Chairman shall attend generally to the executive business of the Sanitary Board and exercise such powers as may be conferred by the Sanitary Board, by these Rules of Procedure, or as prescribed by law. The Chairman shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers necessary, requisite, proper or convenient to be executed by or on behalf of the Sanitary Board when and if directed by the members of the Sanitary Board.

Section 2. The Secretary shall keep a record of all proceedings of the Sanitary Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the minute book, be the custodian of the Common Seal of the Sanitary Board and all deeds and other writings and papers of the Sanitary Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office or as may be conferred from time to time by the members of the Sanitary Board, these Rules of Procedure or as prescribed by law.

Section 3. The Treasurer shall be the lawful custodian of all funds of the Sanitary Board and shall disburse funds of the Sanitary Board on orders authorized or approved by the Sanitary Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him and shall prepare and submit such reports and statements of the financial condition of the Sanitary Board as the members may from time to time prescribe. He or she shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Sanitary Board, these Rules of Procedure or as prescribed by law.

Section 4. If the Chairman is absent from any meeting, the Vice Chairman shall act as Chairman and shall have all the powers of the Chairman during such period of absence. If the Secretary or Treasurer is absent from any meeting, the remaining members of the Sanitary Board shall select a

temporary secretary or treasurer, as necessary, who shall have all of the powers of the absent officer during such period of absence.

ARTICLE VII

AMENDMENTS TO BY LAWS AND RULES OF PROCEDURE

These Bylaws and Rules of Procedure may be altered, changed, amended, repealed or added to at any regular or special meeting of the Sanitary Board by a majority vote of the entire Sanitary Board, or at any regular or special meeting of the members when a quorum is present in person and a majority of those present vote for the amendment; but no such change, alteration, amendment, repeal or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment, repeal or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

These Bylaws and Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the Sanitary Board. In the event of a conflict between these Bylaws and Rules of Procedure and any provisions of the Charter, such Charter provisions shall prevail.

Adopted this 22nd day of March, 2002.

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

PETITION OF SANITARY BOARD

The Sanitary Board of the Town of Nutter Fort (the "Town") hereby petitions the Council of the Town to enact an ordinance directing that sewer revenue bonds of the Town be issued pursuant to the provisions of Chapter 16, Article 13 and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended, such bonds to be in an amount not to exceed $1,500,000, for the purpose of financing certain additions, betterments and improvements to the existing public sewerage system of the City, together with all necessary appurtenances, and the costs of issuance and related costs.

Directed this 22nd day of March, 2002.

TOWN OF NUTTER FORT SANITARY BOARD

Donald L Wilson

Chairman

02/22/02
665690.98001

CH506492.1

Sewer Rate Ordinance

AN ORDINANCE ESTABLISHING AND FIXING SEWER RATES, CONNECTION CHARGES, RECONNECTION CHARGES, DELAYED PAYMENT PENALTY, SECURITY DEPOSIT AND OTHER CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT

THE TOWN COUNCIL OF THE TOWN OF NUTTER FORT HEREBY ORDAINS: The following schedule of sewer rates, connection charges, reconnection charges, delayed payment penalty and other charges are hereby fixed and determined as the sewer rates, connection charges, reconnection charges, delayed payment penalty, security deposit and other charges to be charged to customers of the sewerage system of the Town of Nutter Fort.

APPLICABILITY

Applicable to entire area served.

AVAILABILITY

Available for general domestic, commercial and industrial service.

RATES

(Based upon metered volume of water supplied).

First	2,000 gallons used per month	$7.53 per 1000 gallons
Next	3,000 gallons used per month	$7.01 per 1,000 gallons
Next	5,000 gallons used per month	$5.90 per 1,000 gallons
Next	10,000 gallons used per month	$5.55 per 1,000 gallons
Next	25,000 gallons used per month	$4.35 per 1,000 gallons
Over	45,000 gallons used per month	$3.71 per 1,000 gallons

CONNECTION CHARGE

There will not be any connection fee for customers connected with the existing sewer system. The minimum connection fee for a building or premises connecting for the first time to the sewer system shall be Two Hundred Fifty Dollars ($250.00), payable in advance, plus any additional cost.

MINIMUM BILL

No bill will be rendered for less than $15.06 per month.

DISCONNECT FOR NON-PAYMENT

If any bill is not paid within 60 days from the date of the bill, water service to the customer will be disconnected and will not be restored until all past due bills have been paid in full, together with all penalty charges, subject to applicable rules of the Public Service Commission of West Virginia.

RECONNECTION SERVICE CHARGE

There shall be a reconnection charge of $25.00 which shall be paid prior to restoration of water service previously disconnected for non-payment of sewer charges.

DELAYED PAYMENT PENALTY

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

SECURITY DEPOSITS

A refundable security deposit of 1/12 the annual average charge ($32.59) shall be required prior to service being connected or reconnected. The deposit will be refunded with interest after 12 consecutive months of on time payments.

SECTION 2. EFFECTIVE DATE

The rates, charges and delayed payment penalty provided herein shall become effective forty-five (45) days after final enactment hereof.

SECTION 3. SEPARABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof shall be held void or unenforceable by the West Virginia Public Service Commission or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby 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 Town Recorder shall cause to be published a copy of this Ordinance once a week for two (2) successive weeks within a period of fourteen (14) consecutive days, with at least six (6) days between each publication, in The Clarksburg Exponent and the Clarksburg Telegram, two qualified newspapers of general circulation in the Town of Nutter Fort, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council Chambers, Nutter Fort, West Virginia, on May 8, 2001, at 7:30 p.m., which date is not less than ten days after the date of the first 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 Town Recorder, Nutter Fort, West Virginia.

Passed on First Reading: April 24, 2001.

Passed on Second Reading (following Public Hearing): May 8, 2001.

By: Delores Scarpo
Mayor

CERTIFICATION AND NOTICE

I hereby certify that the foregoing is a true and accurate copy of an Ordinance which has been introduced and adopted on first reading at a meeting of the Town Council of the Town of Nutter Fort held on April 24, 2001, pursuant to proper notice, at which meeting a quorum was present and acting throughout. Any person interested may appear before the Town Council of the Town of Nutter Fort at the Town Hall, 1415 Buckhannon Pike, Nutter Fort, West Virginia, on May 8, 2001, at 7:30 p.m., being the date, time and place of the proposed final adoption of this Ordinance, and be heard. The Council will then take such action as it shall deem proper in the premises. The proposed ordinance may be inspected by the public at the Office of the Recorder in the Town Hall, Nutter Fort, West Virginia during regular office hours.

Dawn May

Recorder

04/23/01
665690/98001

NOTICE OF PUBLIC HEARING ON
TOWN OF NUTTER FORT SEWER RATE ORDINANCE

A public hearing will be held on Tuesday, May 8, 2001, at 7:30 p.m., on the following ordinance which has been introduced on April 24, 2001. Any person interested may appear before the Town Council of the Town of Nutter Fort at the Nutter Fort Town Hall, 1415 Buckhannon Pike, Nutter Fort, West Virginia, and present any comment or protest thereto. Following which hearing Council shall take such action as it shall deem proper.

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AN ORDINANCE ESTABLISHING AND FIXING SEWER RATES, CONNECTION CHARGES, RECONNECTION CHARGES, DELAYED PAYMENT PENALTY, SECURITY DEPOSIT AND OTHER CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT

THE TOWN COUNCIL OF THE TOWN OF NUTTER FORT HEREBY ORDAINS: The following schedule of sewer rates, connection charges, reconnection charges, delayed payment penalty and other charges are hereby fixed and determined as the sewer rates, connection charges, reconnection charges, delayed payment penalty, security deposit and other charges to be charged to customers of the sewerage system of the Town of Nutter Fort.

APPLICABILITY

Applicable to entire area served.

AVAILABILITY

Available for general domestic, commercial and industrial service.

RATES

(Based upon metered volume of water supplied)

First 2,000 gallons used per month	$7.53	per	1,000 gallons
Next 3,000 gallons used per month	$7.01	per	1,000 gallons
Next 5,000 gallons used per month	$5.90	per	1,000 gallons
Next 10,000 gallons used per month	$5.55	per	1,000 gallons
Next 25,000 gallons used per month	$4.35	per	1,000 gallons
Over 45,000 gallons used per month	$3.71	per	1,000 gallons

CONNECTION CHARGE

There will not be any connection fee for customers connected with the existing sewer system. The minimum connection fee for a building or premises connecting for the first time to the sewer system shall be Two Hundred Fifty Dollars ($250.00), payable in advance, plus any additional cost.

MINIMUM BILL

No bill will be rendered for less than $15.06 per month.

DISCONNECT FOR NON-PAYMENT

If any bill is not paid within 60 days from the date of the bill, water service to the customer will be disconnected and will not be restored until all past due bills have been paid in full, together with all penalty charges, subject to applicable rules of the Public Service Commission of West Virginia.

RECONNECTION SERVICE CHARGE

There shall be a reconnection charge of $25.00 which shall be paid prior to restoration of water service previously disconnected for non-payment of sewer charges.

DELAYED PAYMENT PENALTY

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

SECURITY DEPOSIT

A refundable security deposit of 1/12 the annual average charge ($32.59) shall be required prior to service being connected or reconnected. The deposit will be refunded with interest after 12 consecutive months of on-time payments.

SECTION 2. EFFECTIVE DATE

The rates, charges and delayed payment penalty provided herein shall become effective forty-five (45) days after final enactment hereof.

SECTION 3. SEPARABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, if any clause, provision or section hereof shall be held void or unenforceable by the West Virginia Public Service Commission or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinance, 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 Town Recorder shall cause to be published a copy of this Ordinance once a week for two (2) successive weeks within a period of fourteen (14) consecutive days, with at least six (6) days between each publication, in the Clarksburg Exponent and the Clarksburg Telegram, two qualified newspapers of general circulation in the Town of Nutter Fort and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council Chambers, Nutter Fort, West Virginia, on May 8, 2001, at 7:30 p.m., which date is not less than ten days after the date of the first 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 Town Recorder, Nutter Ford, West Virginia.

Passed on First Reading: April 24, 2001
Passed on Second Reading (following Public Hearing

/s/ **Dolores Terango**
Mayor

CERTIFICATION AND NOTICE

I hereby certify that the foregoing is a true and accurate copy of an Ordinance which has been introduced and adopted on first reading at a meeting of the Town Council of the Town of Nutter Fort held on April 24, 2001, pursuant to proper notice, at which meeting a quorum was present and acting throughout. Any person interested may appear before the Town Council of the Town of Nutter Fort at the Town Hall, 1415 Buckhannon Pike, Nutter Fort, West Virginia, on May 8, 2001, at 7:30 p.m., being the date, time and place of the proposed final adoption of this Ordinance, and be heard. The Council will then take such action as it shall deem proper in the premises. The proposed ordinance may be inspected by the public at the Office of the Recorder in the Town Hall, Nutter Fort, West Virginia during regular office hours.

Dated: April 24, 2001

/s/ **Sam Maxson**

PUBLISHER'S CERTIFICATE

_____

vs.

_____

STATE OF WEST VIRGINIA,

COUNTY OF HARRISON

I, SARA V. SHINGLETON

Classified Manager of THE CLARKSBURG EXPONENT, a newspaper of general circulation published in the City of Clarksburg, County and State aforesaid, do hereby certify that the annexed

NUTTER FORT SEWER

was published in said THE CLARKSBURG EXPONENT once a week for 2 successive weeks,

commencing on the 26 day of April 20 01

and ending on the 3 day of May 20 01

The publisher's fee for said publication is $ 160.35

Given under my hand this 3 day of May 2001

Sara V. Shingleton
Classified Manager of The Clarksburg Exponent

SEAL

Subscribed and sworn to before me this 3 day of May, 20 01

Shelley J. Ruffle
Notary Public in and for Harrison County, WV.

My commission expires on the 21 day of July 2009.

Form CA-15 E

COUNCIL MEETING
NUTTER FORT
APRIL 24, 2001

THE REGULAR MEETING OF COUNCIL OF NUTTER FORT WAS HELD TUESDAY, APRIL 24, 2001 IN COUNCIL CHAMBERS WITH THE FOLLOWING MEMBERS PRESENT; DONALD WEBSTER, BARBARA GORBY, THEDFORD FLUHARTY, TOM BETLER, BARRY CALEF AND, MAYOR DOLORES TERANGO. ABSENT WAS RECORDER SAM MAXSON, WHO WAS OUT OF TOWN ON BUSINESS. ALSO ATTENDING WERE, POLICE CHIEF RON GODWIN, SUPERVISOR JIM WOLFE, JIM LINK, CHARLOTTE LINK, AND KAZEM NASSERI.

THE MEETING WAS CALLED TO ORDER AT 7:30 PM BY MAYOR TERANGO.

DISCUSSION WAS HELD ON CHANGES TO THE ORDINANCE (ATTACHED) ESTABLISHING AND FIXING SEWER RATES. TOM BETLER ASKED IF THE 2% FIGURE WAS INCLUDED. THE MAYOR SAID IT WAS.

- TOM BETLER THEN MOTIONED APPROVAL OF THE ORDINANCE AND, FOLLOWING A SECOND BY BARBARA GORBY, THE MOTION WAS PASSED BY A UNANIMOUS VOTE.

- TOM BETLER MOTIONED TO PURCHASE A TRACTOR FROM HAYHURST EQUIPMENT FOR CUTTING THE GRASS ON THE "PARK HILL" PROPERTY. FOLLOWING A SECOND BY BARRY CALEF, THE MOTION WAS APPROVED ON A UNANIMOUS VOTE.

- THE MINUTES OF THE APRIL 10, 2001 MEETING WERE APPROVED ON A UNANIMOUS VOTE AFTER A MOTION BY DONALD WEBSTER AND A SECOND BY BARBARA GORBY.

- THE MINUTES OF THE SPECIAL MEETING APRIL 19, 2001 WERE APPROVED BY A UNANIMOUS VOTE AFTER A MOTION BY BARRY CALEF AND A SECOND BY BARBARA GORBY.

- APPROVAL OF THE BILLS (ATTACHED) WAS GAINED THRU A UNANIMOUS VOTE AFTER A MOTION BY TOM BETLER AND A SECOND BY BARBARA GORBY.

- THE BUILDING PERMITS (ATTACHED) WERE APPROVED BY A UNANIMOUS VOTE AFTER A MOTION BY DONALD WEBSTER AND A SECOND BY BARRY CALEF.

OLD BUSINESS; FOLLOWING A RECOMMENDATION FROM THE LIBRARY COMMISSION, CHARLES LIEULIETTE WAS APPROVED AS A MEMBER OD THE LIBRARY BOARD.

NEW BUSINESS: QUESTIONS WERE ASKED ABOUT UPDATES FOR THE CITY WEBPAGE. THE MAYOR WILL ASK THE OFFICE.

THE MEETING WAS ADJOURNED AT 8:00 PM AFTER A MOTION BY TOM BETLER AND A SECOND BY BARRY CALEF.

Dolores Terango
(MAYOR)

Sam Maxson
(RECORDER)

AN ORDINANCE ESTABLISHING AND FIXING SEWER RATES, CONNECTION CHARGES, RECONNECTION CHARGES, DELAYED PAYMENT PENALTY, SECURITY DEPOSIT AND OTHER CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT

THE TOWN COUNCIL OF THE TOWN OF NUTTER FORT HEREBY ORDAINS: The following schedule of sewer rates, connection charges, reconnection charges, delayed payment penalty and other charges are hereby fixed and determined as the sewer rates, connection charges, reconnection charges, delayed payment penalty, security deposit and other charges to be charged to customers of the sewerage system of the Town of Nutter Fort.

APPLICABILITY

Applicable to entire area served.

AVAILABILITY

Available for general domestic, commercial and industrial service.

RATES

(Based upon metered volume of water supplied).

First	2,000 gallons used per month	$7.53	per 1000 gallons
Next	3,000 gallons used per month	$7.01	per 1,000 gallons
Next	5,000 gallons used per month	$5.90	per 1,000 gallons
Next	10,000 gallons used per month	$5.55	per 1,000 gallons
Next	25,000 gallons used per month	$4.35	per 1,000 gallons
Over	45,000 gallons used per month	$3.71	per 1,000 gallons

CONNECTION CHARGE

There will not be any connection fee for customers connected with the existing sewer system. The minimum connection fee for a building or premises connecting for the first time to the sewer system shall be Two Hundred Fifty Dollars ($250.00), payable in advance, plus any additional cost.

MINIMUM BILL

No bill will be rendered for less than $15.06 per month.

DISCONNECT FOR NON-PAYMENT

If any bill is not paid within 60 days from the date of the bill, water service to the customer will be disconnected and will not be restored until all past due bills have been paid in full, together with all penalty charges, subject to applicable rules of the Public Service Commission of West Virginia.

RECONNECTION SERVICE CHARGE

There shall be a reconnection charge of $25.00 which shall be paid prior to restoration of water service previously disconnected for non-payment of sewer charges.

DELAYED PAYMENT PENALTY

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

SECURITY DEPOSITS

A refundable security deposit of 1/12 the annual average charge ($32.59) shall be required prior to service being connected or reconnected. The deposit will be refunded with interest after 12 consecutive months of on time payments.

SECTION 2. EFFECTIVE DATE

The rates, charges and delayed payment penalty provided herein shall become effective forty-five (45) days after final enactment hereof.

SECTION 3. SEPARABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof shall be held void or unenforceable by the West Virginia Public Service Commission or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby 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 Town Recorder shall cause to be published a copy of this Ordinance once a week for two (2) successive weeks within a period of fourteen (14) consecutive days, with at least six (6) days between each publication, in The Clarksburg Exponent and the Clarksburg Telegram, two qualified newspapers of general circulation in the Town of Nutter Fort, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council Chambers, Nutter Fort, West Virginia, on May 8, 2001, at 7:30 p.m., which date is not less than ten days after the date of the first 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 Town Recorder, Nutter Fort, West Virginia.

Passed on First Reading: April 24, 2001.

Passed on Second Reading (following Public Hearing): May 8, 2001.

By: _____
Mayor

General Revenue Account

Cash Disbursements Journal

For the Period From Apr 24, 2001 to Apr 24, 2001

Date	Check	Account ID	Line Description	Debit Amount
4/24/01		700-59-56-65 100	Monthly payment on new cruisers. Wesbanco	789.52
4/24/01		440-13-11-40 100	Water usage for all depts. City of Nutter Fort	88.81
4/24/01		706-17-11-40 100	Fire Dept. auto supplies. Whaley Distributing Co.	58.75
4/24/01		750-30-11-40 100	Monthly repeater sales. Repeaters Inc.	30.00
4/24/01		706-30-11-40 100	Firehouse software support. Visionary Systems, Lts.	560.00
4/24/01		440-15-11-40 706-15-11-40 100	Spring start up service on A/C. Valve leaking on roof, repair and replace. Pole King Service Specialists	50.00 101.00
4/24/01		325-01-02 100	Overpayment on contractor license. Elkview Builders, Inc.	40.00
4/24/01		440-13-11-40 100	Budgeted amounts for all depts. Dominion Hope Gas	522.00
4/24/01		755-41-41-55 100	Propane for blacktop use. L.P. Gas Company	9.85
4/24/01		440-15-11-40 100	Hinges and door for back entrance to City Hall. George L. Wilson & Co.	190.71
4/24/01		440-11-11-40 100	Telephone, Fax and caller ID for all depts. Verizon	508.44
4/24/01		413-41-41-55 100	Toner for copy machinge. MCM Business Systems	60.00
4/24/01		802-30-11-40 100	Dumping of compost. City of Clarksburg	25.60
4/24/01		440-41-41-55 100	City hall supplies. Nutter Fort Foodlan	18.22
4/24/01		700-25-11-40 100	Police uniform cleaning. Skasiks Quality Cleaners	37.50
4/24/01		750-41-41-55 100	Film for maint. dept. Town & Country Drug Store	23.98
4/24/01		417-03-01-10 100	First Quarter 2001 legal services. Lori Betler Jackson	798.80

COUNCIL MEETING AND PUBLIC HEARING
NUTTER FORT
MAY 8, 2001

THE REGULAR MEETING OF COUNCIL OF NUTTER FORT WAS HELD TUESDAY, MAY 8, 2001 IN COUNCIL CHAMBERS WITH THE FOLLOWING MEMBERS PRESENT: DONALD WEBSTER, BARBARA GORBY, THEDFORD FLUHARTY, TOM BETLER, BARRY CALEF, MAYOR DOLORES TERANGO AND RECORDER SAM MAXSON. ALSO ATTENDING WERE; TREASURER TAMMY GWINN, POLICE CHIEF RON GODWIN, SUPERVISOR JIM WOLFE, BOND ATTORNEY VINCE COLLINS OF STEPTOE AND JOHNSON, JIM LINK, CHARLOTTE LINK, AND FRANK MAZZEI.
THE MEETING WAS CALLED TO ORDER BY MAYOR TERANGO WITH RECORDER MAXSON ASKING PRAYER.
A PUBLIC HEARING ON THE PROPOSED SEWAGE RATE INCREASE WAS HELD AND MR. VINCE COLLINS ADDRESSED COUNCIL CONCERNING THE SEWERAGE RATE INCREASE ORDINANCE, ATTACHED, HE EXPLAINED TO THOSE PRESENT THAT THE RATE INCREASE WAS NEEDED TO REPAY THE LOAN ATTACHED TO THE SMALL CITIES BLOCK GRANT. THERE WERE NO QUESTIONS FROM THE AUDIENCE.

- SAM MAXSON MOTIONED TO APPROVE THE SEWER RATES ORDINANCE (ATTACHED) ON THE SECOND AND FINAL READING. THE MOTION PASSED ON A UNANIMOUS VOTE AFTER A SECOND BY DONALD WEBSTER. THE PUBLICATION WILL BE FRIDAY.

- BARBARA GORBY MOVED THE DATE FOR THE ANNUAL CITY WIDE YARD SALE BE SET FOR SATURDAY, JUNE 2, 2001. THE MOTION WAS PASSED ON A UNANIMOUS VOTE AFTER A SECOND BY DONALD WEBSTER.

- THE MINUTES OF THE APRIL 24, 2001 MINUTES WERE APPROVED, WITH THE ADDITION NOTED THAT THE TRACTOR PURCHASED FROM HAYHURST EQUIPMENT WAS $7345 IN ADDITION TO A TRAILER, WITH THE ESTIMATED COST OF $600 FOR TRANSPORTING THE TRACTOR BEING BUILT BY MR. ANDREWS, AFTER A MOTION BY DONALD WEBSTER AND A SECOND BY TOM BETLER.

- APPROVAL OF THE BILLS (ATTACHED) WAS GAINED BY UNANIMOUS VOTE AFTER A MOTION BY TOM BETLER AND A SECOND BY DONALD WEBSTER.

- TOM BETLER MOTIONED APPROVAL OF THE BUILDING PERMITS (ATTACHED) AND, FOLLOWING A SECOND BY BARBARA GORBY, THE MOTION WAS PASSED ON A UNANIMOUS VOTE

OLD BUSINESS UPON RECOMMENDATION BY BARRY CALEF, AND A MOTION BY TOM BETLER, CHRISTY MULLIGAN WAS APPROVED BY A UNANIMOUS VOTE FOLLOWING A SECOND BY BARRY CALEF TO THE PARKS AND RECREATION COMMISSION.

- DONALD WEBSTER MOVED THAT TOM RUZISKA BE APPOINTED TO THE SANITARY BOARD AND, FOLLOWING A SECOND BY BARRY CALEF, THE MOTION WAS PASSED.

NEW BUSINESS: TOM BETLER REPORTED THAT JIM DENNISON ON NUTTER RUN HAS 2 TREES THAT ARE ON STATE PROPERTY AND ARE LEANING DANGEROUSLY TOWARDS HIS PROPERTY. THE MAYOR REPORTS THAT THE DOH HAS BEEN CALLED AND HAVE VISITED THE SITE 2 OR 3 TIMES BUT HAVE NOT DONE ANYTHING. TOM BETLER WILL CONTACT THEM HIMSELF.
DISCUSSION WAS HELD ABOUT AS FEW RESIDENTS HAVING CONSTANT YARD SALES AND THE FLEA MARKETS IN FRONT OF FOODLION. THE STATE TAX DEPARTMENT MAY HAVE SOME JURISDICTION. ALSO DISCUSSED WERE THE CONTINUATION OF SIGNS BEING PLACED ON UTILITY POLES. CHIEF GODWIN WILL CHECK ON WHAT CAN BE DONE.

A PROCLAMATION (ATTACHED) WAS APPROVED ON A UNANIMOUS VOTE CONCERNING THE GOVERNOR'S SEAT BELT CHALLENGE MONTHS, AFTER A MOTION BY SAM MAXSON AND A SECOND BY BARBARA GORBY.

THE TOM BETLER MOTIONED AT 8:10 PM TO GO INTO EXECUTIVE SESSION FOR THE PURPOSE OF PERSONELL MATTERS AND DONALD WEBSTER SECONDED.
THE MEETING RESUMED AT 8:45 PM AND WAS ADJOURNED

Dolores Terango
(MAYOR)

Sam Maxson
(RECORDER)

PUBLIC NOTICE OF CHANGE IN SEWER RATES OF TOWN OF NUTTER FORT

NOTICE is hereby given that the TOWN OF NUTTER FORT (the "Town") on May 8, 2001, has adopted an ordinance increasing rates and charges for furnishing sewer service to its customers.

The proposed increased rates and charges will become effective on June 22, 2001, unless otherwise ordered by the Public Service Commission (the "Commission") and will produce approximately $87,000 annually in revenue, an increase of 37.60%. The increased rates will be as follows:

(Based upon metered volume of water supplied).

First	2,000 gallons used per month	$7.53	per 1000 gallons
Next	3,000 gallons used per month	$7.01	per 1,000 gallons
Next	5,000 gallons used per month	$5.90	per 1,000 gallons
Next	10,000 gallons used per month	$5.55	per 1,000 gallons
Next	25,000 gallons used per month	$4.35	per 1,000 gallons
Over	45,000 gallons used per month	$3.71	per 1,000 gallons

The average monthly bill for the customers of the Town will be changed as follows:

	($) INCREASE	INCREASE (%)
Domestic	$8.45	35.00%
Commercial and Industrial	$8.45	35.00%

The increases shown are based on averages of all customers of the Town. Individual customers may receive increases that are greater or less than average.

Such rates and charges are only a proposal and are subject to change (increases or decreases) by the Commission in its review of this filing. The Commission shall review and approve or modify the rates only upon the filing of a petition within 30 days of the adoption of the ordinance by:

(1) Any customer aggrieved by such rates or charges who presents to the Commission a petition signed by not less than 25% of the customers served by the Town; or

(2) Any customer who is served by the Town and who resides outside the corporate limits and who is affected by such rates or charges and who presents to the Commission a petition alleging discrimination between customers within and without the municipal boundaries. Said petition shall be accompanied by evidence of discrimination; or

(3) Any customer or group of customers who are affected by such rates who reside within the municipal boundaries and who present a petition to the Commission alleging discrimination between said customer or group of customers and other customers of the Town. 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, P. O. Box 812, Charleston, West Virginia 25323.

A copy of the proposed rates is available for public inspection at the Town Recorder's Office at the Town Hall, 1415 Buckhannon Pike, Nutter Fort, West Virginia, and at the Office of the Secretary of the Public Service Commission at 201 Brooks Street, Charleston, West Virginia.

SECTION 2. EFFECTIVE DATE

The rates, charges and delayed payment penalty provided herein shall become effective forty-five (45) days after final enactment hereof.

SECTION 3. SEPARABILITY; REPEAL OF CONFLICTING ORDINANCES

The provisions of this Ordinance are separable, and if any clause, provision or section hereof shall be held void or unenforceable by the West Virginia Public Service Commission or any court of competent jurisdiction, such holding shall not affect the remainder of this Ordinance. Upon the effective date hereof, all ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflicts, hereby 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 Town Recorder shall cause to be published a copy of this Ordinance once a week for two (2) successive weeks within a period of fourteen (14) consecutive days, with at least six (6) days between each publication, in The Clarksburg Exponent and the Clarksburg Telegram, two qualified newspapers of general circulation in the Town of Nutter Fort, and said notice shall state that this Ordinance has been introduced, and that any person interested may appear before Council Chambers, Nutter Fort, West Virginia, on May 8, 2001, at 7:30 p.m., which date is not less than ten days after the date of the first 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 Town Recorder, Nutter Fort, West Virginia.

Passed on First Reading: April 24, 2001.

Passed on Second Reading
(following Public Hearing): _____

By: _____
Mayor

(Based upon metered volume of water supplied).

First	2,000 gallons used per month	$7.53	per 1000 gallons
Next	3,000 gallons used per month	$7.01	per 1,000 gallons
Next	5,000 gallons used per month	$5.90	per 1,000 gallons
Next	10,000 gallons used per month	$5.55	per 1,000 gallons
Next	25,000 gallons used per month	$4.35	per 1,000 gallons
Over	45,000 gallons used per month	$3.71	per 1,000 gallons

CONNECTION CHARGE

There will not be any connection fee for customers connected with the existing sewer system. The minimum connection fee for a building or premises connecting for the first time to the sewer system shall be Two Hundred Fifty Dollars ($250.00), payable in advance, plus any additional cost.

MINIMUM BILL

No bill will be rendered for less than $15.06 per month.

DISCONNECT FOR NON-PAYMENT

If any bill is not paid within 60 days from the date of the bill, water service to the customer will be disconnected and will not be restored until all past due bills have been paid in full, together with all penalty charges, subject to applicable rules of the Public Service Commission of West Virginia.

RECONNECTION SERVICE CHARGE

There shall be a reconnection charge of $25.00 which shall be paid prior to restoration of water service previously disconnected for non-payment of sewer charges.

DELAYED PAYMENT PENALTY

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

SECURITY DEPOSIT

A refundable security deposit of 1/12 the annual average charge ($32.59) shall be required prior to service being connected or reconnected. The deposit will be refunded with interest after 12 consecutive months of on-time payments.

[TO BE PUBLISHED IN THE CLARKSBURG EXPONENT AND THE CLARKSBURG TELEGRAM ON APRIL 26 AND MAY 3, 2001]

NOTICE OF PUBLIC HEARING ON
TOWN OF NUTTER FORT SEWER RATE ORDINANCE

A public hearing will be held on Tuesday, May 8, 2001, at 7:30 p.m. on the following ordinance which has been introduced on April 24, 2001. Any person interested may appear before the Town Council of the Town of Nutter Fort at the Nutter Fort Town Hall, 1415 Buckhannon Pike, Nutter Fort, West Virginia, and present any comment or protest thereto. Following which hearing Council shall take such action as it shall deem proper.

* * * * *

AN ORDINANCE ESTABLISHING AND FIXING SEWER RATES, CONNECTION CHARGES, RECONNECTION CHARGES, DELAYED PAYMENT PENALTY, SECURITY DEPOSIT AND OTHER CHARGES FOR SERVICE TO CUSTOMERS OF THE SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT

THE TOWN COUNCIL OF THE TOWN OF NUTTER FORT HEREBY ORDAINS: The following schedule of sewer rates, connection charges, reconnection charges, delayed payment penalty and other charges are hereby fixed and determined as the sewer rates, connection charges, reconnection charges, delayed payment penalty, security deposit and other charges to be charged to customers of the sewerage system of the Town of Nutter Fort.

APPLICABILITY

Applicable to entire area served.

AVAILABILITY

Available for general domestic, commercial and industrial service.

THE TOWN OF
NUTTER FORT
NOTICE OF PUBLIC
HEARING ON ORDINANCE

A public hearing will be held on the following-entitled Ordinance at a regular meeting of the Council of the Town of Nutter Fort (the "Town") to be held on Tuesday, March 26, 2002 at 7:30 p.m. in Council Chambers at the Town Hall, 1415 Buckhannon Pike, Nutter, West Virginia, and at such hearing any person interested may appear before the Council and present protests, and all protests and suggestions shall be heard by the Council and it shall then take such actions as it shall deem proper in the premises upon an Ordinance entitled:

ORDINANCE AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, BETTERMENTS, AND IMPROVEMENTS TO THE EXISTING PUBLIC SEWERAGE SYSTEM OF THE TOWN OF NUTTER FORT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE TOWN OF NUTTER FORT OF NOT MORE THAN $1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2002 (WEST VIRGINIA SRF PROGRAM); 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-entitled Ordinance was approved by the Council on March 12, 2002.

The above-quoted title of the Ordinance describes generally the contents thereof and the purposes of the Bonds contemplated thereby. The Town contemplates the issuance of the Bonds described in the Ordinance. The proceeds of the Bonds will be used to provide permanent financing of the costs of acquisition and construction of betterments, additions and improvements to the sewerage system of the Town and to pay certain costs of issuance of the Bonds and related costs. The Bonds are payable solely from revenues to be derived from the ownership and operation of the sewerage system of the Town. No taxes may at any time be levied for the payment of the Bonds or the interest thereon.

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

Following the public hearing, the Council intends to enact the Ordinance upon final reading.

Dated: March 12, 2002

PUBLISHER'S CERTIFICATE

_____

vs.

_____

STATE OF WEST VIRGINIA,

COUNTY OF HARRISON

I, SARA V. SHINGLETON

Classified Manager of THE CLARKSBURG EXPONENT, a newspaper of general circulation published in the City of Clarksburg, County and State aforesaid, do hereby certify that the annexed

PUBLIC HEARING

was published in said THE CLARKSBURG EXPONENT once a week for 2 successive weeks,

commencing on the 15 day of March 20 02

and ending on the 22 day of March 20 02

The publisher's fee for said publication is $ 58.19

Given under my hand this 26 day of March 20 02

Sara V. Shingleton
Classified Manager of The Clarksburg Exponent

SEAL

Subscribed and sworn to before me this 26 day of March, 20 02

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

My commission expires on the 21 day of July 2009

Form CA-15 E

OFFICIAL SEAL
NOTARY PUBLIC
STATE of WEST VIRGINIA
SHELLEY F. RIPPLE
Clarksburg Publishing Co.
PO Box 2000, 324 Hewes Av
Clarksburg, WV 26302-200
My Commission Expires July 21, 2009

RECYCLED PAPER
RECYCABLE

COUNCIL MEETING
NUTTER FORT
FEBRUARY 26, 2002

THE REGULAR MEETING OF COUNCIL OF NUTTER FORT WAS HELD, TUESDAY, FEBRUARY 26, 2002 IN COUNCIL CHAMBERS WITH THE FOLLOWING MEMBERS PRESENT: JOHN CARTER, BARBARA GORBY, BRUCE KIDD, TOM BETLER, MAYOR DONALD WEBSTER AND RECORDER SAM MAXSON. ALSO ATTENDING WERE ASSISTANT SUPERVISOR JERRY RILEY, FIRE CHIEF TOM ROHRBAUGH, AND POLICE CHIEF RON GODWIN. GUESTS WERE; JIM LINK, AND JOSEPH GERO AND JOHN WESTFALL OF THE HARRISON COUNTY DEVELOPMENT AUTHORITY.

THE MEETING WAS CALLED TO ORDER AT 7:30 PM BY MAYOR WEBSTER WITH RECORDER MAXSON ASKING PRAYER.

- A MOTION TO APPROVE THE BOND AND SEWER RESOLUTION DEALING WITH THE SEWER PROJECT WAS MADE BY SAM MAXSON AND, AFTER A SECOND BY BARBARA GORBY, THE MOTION WAS APPROVED BY UNANIMOUS VOTE.

NUTTER FORT CLEAN-UP WEEK WAS SET FOR THE THIRD WEEK OF MAY.

THE MAYOR REPORTED THE SIDEWALK ALONG CITY HALL LEADING TO COUNCIL CHAMBERS WILL BE REMOVED IN PREPARATION OF ADA ACCESSIBILITY IMPROVEMENTS.

- THE MINUTES OF THE FEBRUARY 12, 2002 MEETING WERE APPROVED BY UNANIMOUS VOTE AFTER A MOTION BY TOM BETLER AND A SECOND BY BARBARA GORBY, WITH THE CLARIFICATION THE A GRANT FOR $40,000 FOR WATER, $40,000 FOR PAVING AND $20,000 FOR SIDEWALKS HAS BEEN SUBMITTED.

THE MAYOR REPORTED ON THE PENDING LAWSUIT FROM HUGHES SUPPLY REGARDING THE PURCHASE OF AUTOMATED WATER METERS, IS IN THE HANDS OF OUR ATTORNEY.

- KAZEM NASSERI MOTIONED THE APPROVAL OF THE BILLS (ATTACHED) AND FOLLOWING A SECOND BY TOM BETLER THEY WERE APPROVED BY UNANIMOUS VOTE. BETLER QUESTIONED THE $25,000 DEPOSIT IN THE GENERAL ACCOUNT FROM PAVING ACCOUNT PRIME #2.

- TOM BETLER MOVE WE APPROVE THE BUILDING PERMITS (ATTACHED) AND, FOLLOWING SA SECOND BY KAZEM NASSERI, THEY WERE APPROVED BY UNANIMOUS VOTE.

OLD BUSINESS THE CONDEMNATION PROCEEDINGS IN OBTAINING THE FORMER SWIMMING POOL PROPERTY WILL PROBABLY GO TO COURT. THE SIGN FOR THE BI-COUNTY NUTRITIONAL CENTER HAS BEEN INSTALLED. ALLEGHENY POWER HAS NOT INSTALLED THE GATE AT THE TOP OF BURTON AVE.

NEW BUSINESS TOM BETLER REPORTED THE MEDINA RENTAL HOUSE ON BAGWELL AVE HAS A LOT OF GARBAGE IN THE FRONT YARD. THE LANDLORD WILL BE CONTACTED.

JOE GERO AND JOHN WESTFALL, OF THE HARRISON COUNTY DEVELOPMENT AUTHORITY, ADDRESSED COUNCIL AND SHOWED A POWER POINT PRESENTATION OF SOME OF THE ACCOMPLISHMENTS OF THE AUTHORITY. THEY SEEK $3750 FUNDING FROM NUTTER FORT.

TOM BETLER MADE A MOTION TO ADJOURN INTO EXECUTIVE SESSION AT 9:10 PM,

COUNCIL MEETING
NUTTER FORT
MARCH 12, 2002

THE REGULAR MEETING OF COUNCIL OF NUTTER FORT WAS HELD, TUESDAY, MARCH 12, 2002 IN COUNCIL CHAMBERS WITH THE FOLLOWING MEMBERS PRESENT: JOHN CARTER, BARBARA GORBY, BRUCE KIDD, TOM BETLER, KAZEM NASSERI, MAYOR DONALD WEBSTER, AND RECORDER SAM MAXSON. ALSO PRESENT WERE ; POLICE CHIEF RON GODWIN, SUPERVISOR JIM WOLFE, FIRE CHIEF TOM ROHRBAUGH AND BUILDING INSPECTOR VINCE SMITH. GUEST PRESENT WERE MR. SPONUGLE, JIM LINK, CHARLOTTE LINK, AND RON ATKINS.

THE MEETING WAS CALLED TO ORDER BY MAYOR WEBSTER AT 7:30 PM WITH RECORDER MAXSON ASKING PRAYER.

BUILDING INSPECTOR SMITH ADDRESSED COUNCIL ABOUT A REQUEST FROM JIM LYONS WHO IS DOING SITE EXCAVATION WORK ON ROUT 98. THE CITY STREET RIGHT AWAY RUNS, ACCORDING TO SMITH, THRU THE MIDDLE OF MR. LYONS PROPERTY. SINCE THE RIGHT OF WAY IS UNDEVELOPED, LYONS REQUESTS HE BE ALLOWED TO RELOCATE OUR RIGHT OF WAY TO THE REAR OF HIS PROPERTY, ALLOWING ACCESS TO ADJOINING PROPERTY (JARVIS). LYONS CLAIMS HE WILL BETTER BE ABLE TO MARKET THIS PROPERTY TO A RETAIL BUSINESS WITH THE STREET MOVED. ALSO NOTED WAS A GAS LINE RUNNING ALONG OUR PRESENT RIGHT OF WAY. ACCORDING TO SMITH, MR. LYONS WANTS TO PRESENT AN ENGINEERING STUDY CONCERNING THIS PROJECT TO COUNCIL WHEN COMPLETED. THERE WAS NO OBJECTION VOICED.

CONCERN WAS EXPRESSED FROM MR. SONUGLE ABOUT PEOPLE ALLOWING MILK JUGS AND SUCH TO BLOW OUT OF THERE RECYCLE BOXES. A NOTE WILL BE PLACED ON THE WATER BILLS REMINDING RESIDENTS TO BE CAREFUL.

- THE SEWER BOND RESOLUTION (ATTACHED) WAS PASSED ON THE SECOND AND FINAL READING BY UNANIMOUS VOTE AFTER A MOTION BY TOM BETLER AND A SECOND BY BARBARA GORBY.

- BRUCE KIDD MOTIONED WE GIVE $2000 TO THE HARRISON COUNTY DEVELOPMENT AUTHORITY. THE MOTION WAS PASSED BY MAJORITY WITH JOHN CARTER VOTING NO, AFTER A SECOND BY BARBARA GORBY.

- TOM BETLER MOTIONED APPROVAL OF THE BUDGET REVISION (ATTACHED), AND, AFTER A SECOND BY BARBARA GORBY, THE MOTION WAS PASSED BY UNANIMOUS VOTE.

- TOM BETLER MOTIONED APPROVAL OF THE COAL SEVERANCE BUDGET (ATTACHED), AND, AFTER A SECOND BY BARBARA GORBY, THE MOTION WAS PASSED BY UNANIMOUS VOTE.

- BARBARA GORBY MOTIONED APPROVAL OF THE NEW BUDGET (ATTACHED) AND, FOLLOWING A SECOND BY TOM BETLER, THE BUDGET WAS APPROVED.

THE CITY WIDE YARD SALE WILL BE HELD JUNE 1, 2002

- KAZEM NASSERI MOTIONED APPROVAL OF THE FEBRUARY 22, 2002 MINUTES, NOTING HIS NAME WAS OMITTED FORM THOSE PRESENT. TOM BETLER SECONDED AND THEY WERE APPROVED BY UNANIMOUS VOTE.

- THE BILLS (ATTACHED) WERE APPROVED BY UNANIMOUS VOTE AFTER A MOTION BY SAM MAXSON AND A SECOND BY BARBARA GORBY.

- TOM BETLER MOVED APPROVAL OF THE BUILDING PERMITS (ATTACHED) AND, FOLLOWING A SECOND BY BARBARA GORBY, THEY WERE APPROVED BY UNANIMOUS VOTE.

OLD BUSINESS NO NEWS ON THE SWIMMING POOL. NO MORE BIDS FOR THE COMMUNITY CENTER HAVRE BEEN TURNED IN TO THE CITY. RON GODWIN AND JIM WOLFE WILL LOOK ABOUT A SIGN FOR THE 200 BLOCK OF PA AVE REMINDING MOTORIST TO BE AWARE OF CHILDREN. NO FURTHER NEWS ABOUT THE HUGHES CO. LAWSUIT.

FIRE CHIEF ROHRBAUGH PRESENTED A PROPOSAL THAT THE FIRE DEPARTMENT SELL 4 VEHICLES THAT ARE OUTDATED AND PURCHASE A NEW PUMPER.

- JOHN CARTER MOTIONED APPROVAL OF THE REQUEST AND, FOLLOWING A SECOND BY BARBARA GORBY, THE REQUEST WAS GRANTED.

NEW BUSINESS SUPERVISOR WOLFE REPORTED THERE WILL BE A DEMO OF A SEWER INSPECTION CAMERA SOME TIME THURSDAY AND INVITED COUNCIL TO ATTEND.
CHIEF GODWIN REPORTED THAT HE, ALONG WITH BUILDING INSPECTOR SMITH, HAVE BEEN COMPILING A LIST OF PROPERTIES THAT MAY BE IN NEED OF REPAIR AND BE UNSAFE.
THE FIRE DEPARTMENT WISHES TO SELL THE GARAGE BUILDING IN OUR PARKING LOT FOR AT LEAST $1000.

THE MEETING WAS ADJOURNED AT 9:00 PM FOLLOWING A MOTION BY BRUCE KIDD AND A SECOND BY TOM BETLER.

(MAYOR) (RECORDER)

Approved
FY 2002 - 2003
Coal Severance Fund Budget

REVENUES:

Unencumbered Balance	$4000.00
Interest Earned	$25.00
Coal Tax	$3,200.00
Total Revenue	$7,225.00

DISBURSEMENTS:

Audit Costs	$200.00
Publishing Budget	$150.00
Decorations	$6,875.00

COUNCIL MEETING
NUTTER FORT
MARCH 26, 2002

THE REGULAR MEETING OF COUNCIL OF NUTTER FORT WAS HELD IN COUNCIL CHAMBERS, TUESDAY, MARCH 26, 2002 WITH THE FOLLOWING MEMBERS IN ATTENDANCE; JOHN CARTER, BARBARA GORBY, TOM BETLER, KAZEM NASSERI, MAYOR DONALD WEBSTER, AND RECORDER SAM MAXSON. ABSENT WAS MEMBER BRUCE KIDD WHO WAS OUT OF TOWN. ALSO ATTENDING WERE SUPERVISOR JIM WOLFE, POLICE CHIEF RON GODWIN, HOUSE OF DELEGATES MEMBER FRANK ANGOTTI, RESIDENTS JIM LINK, CHARLOTTE LINK, DAVID RIFFLE, PASTOR GOODWIN, LINDA GRIFFITH, AND ANNETTE COBUN.

THE MEETING WAS CALLED TO ORDER AT 7:30 PM BY MAYOR WEBSTER WITH RECORDER MAXSON ASKING PRAYER.

BIDS WERE OPENED FOR PURCHASE OF THE NUTTER FORT COMMUNITY CENTER. THE ONLY BID RECEIVED WAS FROM THE UNION MISSION CHURCH FOR $18,000 AND INCLUDED A $1000 CASHIERS CHECK. THE BID WAS TURNED OVER TO COMMUNITY CENTER REPRESENTATIVES GRIFFITH AND COBUN FOR CONSIDERATION BY THEIR BOARD MEMBERS.

A PUBLIC HEARING FOR THE SEWER BOND ORDINANCE (ATTACHED) THE ORDINANCE WAS APPROVED BU UNANIMOUS VOTE FOLLOWING A MOTION BY TOM BETLER AND A SECOND BY KAZEM NASSERI.

THE COPY OF THE SUNSHINE LAW AMENDMENTS HAS NOT BEEN RECEIVED FROM THE STATE AND WILL BE CONSIDERED AT A LATER MEETING.

- SAM MAXSON MOTIONED THE 1991 CHEVROLET PICK-UP BE SOLD BY HIGHEST BID. THE MOTION WAS PASSED BY UNANIMOUS VOTE FOLLOWING A SECOND BY BARBARA GORBY. THE SALE OF THE VEHICLE WILL BE ADVERTISED IN THE LOCAL PAPER.

- TOM BETLER MOVED APPROVAL OF THE MARCH 12, 2002 MINUTES AND THEY WERE APPROVED BY UNANIMOUS VOTE AFTER A SECOND BY BARBARA GORBY.

- THE BILLS (ATTACHED) WERE APPROVED BY UNANIMOUS VOTE AFTER A MOTION BY TOM BETLER AND A SECOND BY KAZEM NASSERI.

- THE BUILDING PERMITS (ATTACHED) WERE APPROVED BY UNANIMOUS VOTE AFTER A MOTION BY SAM MAXSON AND A SECOND BY BARBARA GORBY.

OLD BUSINESS NO FURTHER WORD FROM THE ATTORNEYS CONCERNING POSSIBLE PURCHASE OF THE SWIMMING POOL PROPERTY.
DISCUSSION WAS HELD CONCERNING RENOVATIONS TO THE RENTAL HOUSE NEXT DOOR, NEED TO CONVERT IT INTO CITY OFFICES. COUNCIL MEMBER BETLER, MAYOR WEBSTER, AND RECORDER MAXSON, ALONG WITH BUILDING INSPECTOR SMITH, JULIE FOLEY AND ANNETTE MARION TOURED THE HOUSE MONDAY, MARCH 25 AND COMPILED A LIST OF MODIFICATIONS (ATTACHED). FOLLOWING APPROVAL BY COUNCIL AT A LATER MEETING, THE JOB WOULD BE PLACED OUT FOR BIDS.
A SMALLER SEWAGE INSPECTION CAMERA WAS DEMONSTRATED LAST WEEK AND WOULD BE SMALL ENOUGH TO ENTER RESIDENTIAL (LATTERAL) LINES AND PINPOINT PROBLEMS, SAVING RESIDENTS CONSIDERABLE MONEY. THE COST WAS APPROX. $8500 . JIM WOLFE WILL CONTACT OTHER MANUFACTURES.
CHIEF GODWIN HAS INVESTIGATED THE COMPLAINT FROM COUNCILMAN CARTER CONCERNING ILLEGAL PARKING IN THE VICINITY OF TOM KORN'S RESIDENCE AND DIDN'T SEE ANYONE PARKED.

NEW BUSINESS THE CLOCK ON THE FRONT OF THE BUILDING IS NOT RUNNING. THIS WILL BE TAKEN CARE OF AND A NEW ONE PURCHASED IF NEEDED. THE MAYOR IS GOING TO CHECK ON PRICES FOR DECORATOR FLAG/BANNER BRAC KETS FOR ½ OF THE LIGHT POLES ALONG BUCKYHANNON PIKE. IT WAS NOTED BY COUNCILMAN GORBY THAT NUTTER FORT WILL BE 80 YEARS OLD NEXT YEAR.

DELEGATE FRANK ANGOTTI ADDRESSED COUNCIL AND EXPLAINED A 1 FOR 1 MATCHING GRANT FOR LITTER CONTROL MAY BE AVAILABLE FROM THE STATE. HE ALSO STATED THAT MUNICIPALITIES IN HARRISON COUNTY SHOULD WORK TOGETHER AND SHARE THEIR KNOWLEDGE, EQUIPMENT, AND SOME OF THEIR RESOURCES.

THE MEETING WAS ADJOURNED AT 8:30 PM AFTER A MOTION BY JOHN CARTER AND A SEDCOND BY BARBARA GORBY.

(MAYOR) (RECORDER)

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

EXCERPT OF MINUTES ON ADOPTION OF
SUPPLEMENTAL RESOLUTION

The undersigned Recorder of the Town of Nutter Fort (the "City") hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Town:

*** *** ***

The Council of the Town met in special session, pursuant to notice duly posted, on the 28th day of May, 2002, in Nutter Fort, West Virginia, at the hour of 7:30 p.m.

PRESENT:	Donald Webster	-	Mayor
	Sam Maxson	-	Recorder
	Thomas Betler	-	Councilmember
	John Carter	-	Councilmember
	Barbara Gorby	-	Councilmember
	Bruce Kidd	-	Councilmember
	Kazem Nasseri	-	Councilmember

ABSENT: None.

Donald Webster, Mayor, presided, and Sam Maxson, acted as Recorder. The Mayor announced that a quorum of members was present and that the meeting was open for any business properly before it.

The Mayor presented a proposed Supplemental Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICE AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2002 (WEST VIRGINIA SRF PROGRAM), OF THE TOWN OF NUTTER FORT;

APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, upon motion duly made and seconded, it was unanimously ordered that the said Supplemental Resolution be adopted and be in full force and effect on and from the date hereof.

** ** **

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of the Town of Nutter Fort and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 4th day of June, 2002.

Recorder

5/21/02
665690.98001

CH508373.1

WV MUNICIPAL BOND COMMISSION
#8 Capitol Street
Terminal Building, Suite 500
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: June 4, 2002

(See Reverse for Instructions)

ISSUE: Town of Nutter Fort Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program)

ADDRESS: 1415 Buckhannon Pike, Nutter Fort, West Virginia 26301 COUNTY: Harrison

PURPOSE OF ISSUE: New Money: X
Refunding: ____

REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: June 4, 2002

CLOSING DATE: June 4, 2002

ISSUE AMOUNT: $1,053,812

RATE: 0% - Administrative Fee .5%

1ST DEBT SERVICE DUE: December 1, 2003

1ST PRINCIPAL DUE: December 1, 2003

1ST DEBT SERVICE AMOUNT: $ 10,539

PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: Vincent A. Collins, Esquire
Phone: (304) 624-8161

UNDERWRITERS COUNSEL: Jackson & Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK: Wesbanco Bank, Inc.
Contact Person: Judy Strother
Phone: (304) 623-3800

ESCROW TRUSTEE: ____
Contact Person: ____
Phone: ____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Tammy Gwinn, Recorder
Position: Recorder
Phone: 304.622.7713

OTHER:
West Virginia Department of Environmental Protection
Contact Person: Rosalie Brodersen
Function: Branch Leader
Phone: (304) 558-0637

DEPOSITS TO MBC AT CLOSE:
By: ____ Wire
X Check

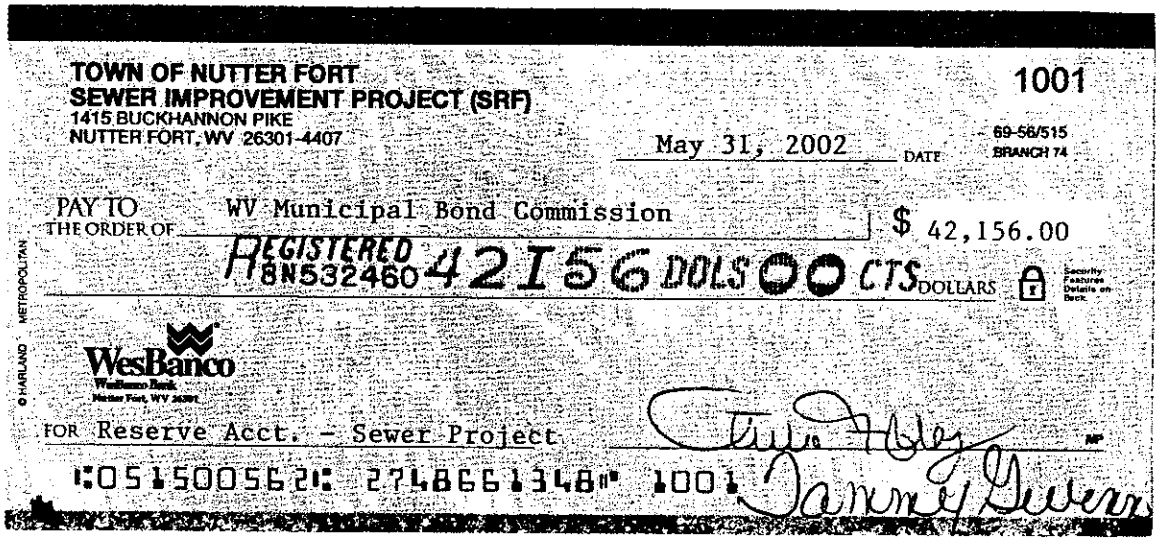
____ Accrued Interest: $____
____ Capitalized Interest: $____
X Reserve Account: $ 42,156
____ Other: ____ $____

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: ____ Wire
____ Check
____ IGT

____ To Escrow Trustee: $____
____ To Issuer $____
____ To Cons. Invest. Fund $____
____ To Other: ____ $____

NOTES: ____

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED: ____
TRANSFERS REQUIRED: ____



TOWN OF NUTTER FORT
SEWER IMPROVEMENT PROJECT (SRF)
1415 BUCKHANNON PIKE
NUTTER FORT, WV 26301-4407

1001

May 31, 2002 DATE

69-56/515
BRANCH 74

PAY TO THE ORDER OF WV Municipal Bond Commission $ 42,156.00

REGISTERED 8N532460 42I56 DOLS 00 CTS DOLLARS

Security Features Details on Back

WesBanco
WesBanco Bank
Nutter Fort, WV 26301

FOR Reserve Acct. - Sewer Project

⑆051500562⑆ 2748661348⑈ 1001

Tammy Gwenn

© HARLAND METROPOLITAN

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

Wesbanco Bank, Inc., Nutter Fort, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Ordinance of the Town of Nutter Fort (the "Issuer") enacted by the Issuer on March 26, 2002, and a Supplemental Resolution adopted by the Issuer on May 28, 2002 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), dated June 4, 2002, issued in the original aggregate principal amount of $1,053,812 (the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 4th day of June, 2002.

WESBANCO BANK, INC.

By: Teresa L Perris, Br Mgr
Its: Authorized Officer

05/21/02
665690.98001

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

ACCEPTANCE OF DUTIES AS REGISTRAR

Branch Banking and Trust Company, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Town of Nutter Fort Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), dated June 4, 2002, issued in the original aggregate principal amount of $1,053,812 (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 4th day of June, 2002.

BRANCH BANKING AND TRUST COMPANY

By: _____
Its: Assistant Vice President

04/01/02
665690.98001

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

CERTIFICATE OF REGISTRATION OF BONDS

BRANCH BANKING AND TRUST COMPANY, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of the Town of Nutter Fort (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bond, Series 2002 (West Virginia SRF Program), of the Issuer, dated June 4, 2002, in the principal amount of $1,053,812, numbered R-1, was registered as to principal only in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of Branch Banking and Trust Company, as Registrar.

WITNESS my signature on this 4th day of June, 2002.

BRANCH BANKING AND TRUST COMPANY

By: _____
Its: Assistant Vice President

05/21/02
665690.98001

TOWN OF NUTTER FORT

Sewer Revenue Bonds, Series 2002
(West Virginia SRF Program)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 4th day of June, 2002, by and between the TOWN OF NUTTER FORT, a municipal corporation and political subdivision of the State of West Virginia (the "Issuer"), and Branch Banking and Trust Company, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $1,053,812 Sewer Revenue Bonds, Series 2002 (West Virginia SRF Program), in fully registered form (the "Bonds"), pursuant to a Bond Ordinance of the Issuer duly enacted March 26, 2002, and a Supplemental Resolution of the Issuer duly adopted May 28, 2002 (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: Town of Nutter Fort
1415 Buckhannon Pike
Nutter Fort, West Virginia 26301
Attention: Mayor

REGISTRAR: Branch Banking and Trust Company
Post Office Box 1793
300 Summers Street
Charleston, West Virginia 25326
Attention: Corporate Trust Department

8. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the 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.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the day and year first above-written.

TOWN OF NUTTER FORT

_____

Mayor

BRANCH BANKING AND TRUST COMPANY

_____

Assistant Vice President

04/01/02
665690.98001

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See attached)

BB&T

Branch Banking & Trust Co.

Trust Department
300 Summers Street
P.O. Box 1793
Charleston, WV 25326
(304) 348-7081
(800) 336-5450

June 4, 2002

Town Of Nutter Fort

RE: Invoice

TOWN OF NUTTER FORT SEWER REVENUE BONDS, SERIES 2002
(WV SRF PROGRAM)

ONE TIME FEE FOR SERVICES AS REGISTRAR AND
AUTHENTICATING AGENT.....$250.00

Please forward remittance to:

Branch Banking and Trust Co.
Attn: Charlotte S. Morgan
P. O. Box 1793
Charleston WV 25326
Telephone: (304) 348-7239

Office of Water Resources
1201 Greenbrier Street
Charleston, West Virginia 25311
Phone (304) 558-4086
Fax (304) 558-5903

West Virginia Division of Environmental Protection

Bob Wise
Governor

Michael O. Callaghan
Director

February 28, 2001

MAR - 9 2001

HONORABLE DELORES TERANGO
NUTTER FORT CITY OF
1415 BUCKHANNON PIKE
NUTTER FORK, WV 26301

CERTIFIED RETURN RECEIPT REQUESTED

Re: WV/NPDES Permit No. WV0115100
General Permit Registration No. WVG072196
Proposed Sanitary Sewer System Upgrade, Harrison County

Dear Permittee:

Attached is a copy of your completed registration form for your activity with the above assigned registration number. You are now authorized to operate under General Permit No. WV0115100. This registration form should be kept with your copy of the General Permit. You should carefully read the contents of the permit and become familiar with all requirements needed to remain in compliance with the permit.

Although you should be aware of the terms and conditions of this permit, we wish to advise you of the following important requirements:

1. In accordance with Section G.4 of the General Permit, you have developed a complete storm water pollution prevention plan. This plan is to be retained on site and be available for review by the Chief or his authorized representative as of the date of your coverage by the General Permit, which is the date of this letter.

2. The erosion control measures approved by this agency for this project shall be maintained in proper condition to individually and collectively perform the functions for which they were designed. In order to insure the efficiency and proper maintenance of these measures, the permittee shall make sufficiently frequent, periodic inspections to detect any impairment of the designed stability, capacity or environmental requirements of the approved measures. The permittee shall take immediate steps to correct any such impairment found to exist.

3. If this SWPPP proves to be ineffective in controlling erosion and the sediment in storm water discharges associated with industrial/construction activities, or site conditions change, the Permittee shall amend the SWPPP and install appropriate sediment and/or control devices in accordance with Section G.4.c) of this permit and the application instructions.

4. The current General Permit expires on December 4, 2002. If you wish to continue an activity regulated by this permit after the expiration date of the permit, provisions for coverage will be made during the public notice process for any new General Permit to be issued at that time.

The validity of this General Permit Registration is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

Your efforts towards preventing the degradation of our natural resources are greatly appreciated.

If you have any questions, please call Curtis Hardman of this office at (304) 558-4086 or by TDD No. (304) 558-2751.

Sincerely,

Allyn G. Turner
Chief

AGT:chh

Enclosure

cc: Env. Insp. Supv.
Env. Insp.
Thrasher Engineering, Inc. ✓

B. WV NPDES PERMIT

MAY - 6 1997

Thrasher Engineering, Inc.

DIVISION OF ENVIRONMENTAL PROTECTION
617 Broad Street
Charleston, WV 25301-1251

CECIL H. UNDERWOOD
GOVERNOR

JOHN E. CAFFREY, P.E.
DIRECTOR

May 5, 1997

Ken Moran, P.E.
Thrasher Engineering, Inc.
339 Hickman Street
P.O. Box 1532
Clarksburg, WV 26301

RE: Nutter Fort NPDES Permit and Modification Order No. 3897

Dear Mr. Moran:

Enclosed is a copy of the current WV/NPDES permit for the Town of Nutter Fort along with Modification Order No. 3897 issued April 22, 1997. This order adds combined sewer overflow requirements to the Nutter Fort permit.

If you have any questions, please contact me at (304)558-0633 or TTY/TDD 1(800)982-8772 [(304)558-4144].

Sincerely,

OFFICE OF WATER RESOURCES

Thomas R. Marshall, Jr.
Construction Assistance

Enclosure

WRD 1A-82
Revised 7-91

STATE OF WEST VIRGINIA
DIVISION OF NATURAL RESOURCES
WATER RESOURCES SECTION
1201 Greenbrier Street
Charleston, West Virginia 25311

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

WATER POLLUTION CONTROL PERMIT

Permit No. WV0100901

Issue Date: October 26, 1992

Effective Date: November 26, 1992

Subject: Sewage Collection Facilities

Expiration Date: October 25, 1997

Supersedes: WV/NPDES Permit No. WV0100901 issued September 30, 1987

Location: Nutter Fort (City) Harrison (County) Monongahela (Drainage Basin)

Outlet Sites: Latitude: N/A ° ' "
Longitude: ° ' "

To whom it may concern:

This is to certify that City of Nutter Fort, 1415 Buckhannon Pike, Nutter Fort, WV 26301 is hereby granted a NPDES Water Pollution Control Permit to operate and maintain an existing sewage collection system consisting of 3000 linear feet of four(4) inch gravity sewer line, 6,500 linear feet of six(6) inch gravity sewer line, 8,630 linear feet of eight(8) inch gravity sewer line, 4,000 linear feet of 12 inch gravity sewer line, 4,500 linear feet of 15 inch gravity sewer line, 1,700 linear feet of 18 inch gravity sewer line, 105 manholes, and all necessary appurtenances.

Facilities are designed to serve 2,000 persons in the City of Nutter Fort and to convey sewage to the City of Clarksburg collection system to its ultimate treatment at the Clarksburg's wastewater treatment plant which discharges to the West Fork River of the Monongahela River.

This permit is subject to the following terms and conditions:

The information submitted on and with Permit Application No. WV0100901 dated the 27th day of March 1992 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information was set forth herein, and with other conditions set forth in Sections B, C, D, E, F, and G.

B. SCHEDULE OF COMPLIANCE

1. The permittee shall achieve compliance with the provisions for waste treatment and the discharge limitation specified in this permit in accordance with the following schedule:

Effective date of permit.

2. Reports of compliance or noncompliance with, and progress reports on the interim and final requirements contained in the above compliance schedule, shall be submitted no later than 14 days following each schedule date.

N/A

C. MANAGEMENT CONDITIONS

1. **Duty to Comply**
   (a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.
   (b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.
2. **Duty to Reapply**
   If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.
3. **Duty to Mitigate**
   The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.
4. **Permit Actions**
   This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.
5. **Property Rights**
   This permit does not convey any property rights of any sort or any exclusive privilege.
6. **Signatory Requirements**
   All applications, reports, or information submitted to the Chief shall be signed and certified as required in Series II, Section 4.6 of the West Virginia Legislative Rules of the State Water Resources Board.
7. **Transfers**
   This permit is not transferable to any person, except after notice to the Chief. The Chief may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.
8. **Duty to Provide Information**
   The permittee shall furnish to the Chief, within a reasonable specified time, any information which the Chief may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Chief, upon request, copies of records required to be kept by this permit.
9. **Other Information**
   Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Chief, it shall promptly submit such facts or information.
10. **Inspection and Entry**
    The permittee shall allow the Chief, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:
    a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
    b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
    c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
    d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any locations.
11. **Permit Modification**
    This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 20-5A-8 of the Code of West Virginia.
12. **Water Quality**
    The effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards adopted by the State Water Resources Board.
13. **Outlet Markers**
    A permanent marker at the establishment shall be posted in accordance with Series III, Section 9 of the West Virginia Legislative Rules promulgated pursuant to Chapter 20, Article 5A.
14. **Liabilities**
    a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318 or 405 of the Clean Water Act is subject to a civil penalty not to exceed $10,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, or 308 of the Clean Water Act is subject to a fine of not less than $2,500 nor more than $25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
    b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
    c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than 6 months per violation, or by both.
    d) Nothing in C. 14. a), b) and c) shall be construed to limit or prohibit any other authority the Chief may have under the State Water Pollution Control Act, Chapter 20, Article 5A.

F. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to Series III, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 20, Article 5A.

Attached is a copy of the West Virginia Spill Alert System for use in complying with Series III, Section 2 of the rules as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Section's designated spill alert telephone number. A written submission shall be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

b) The following shall also be reported immediately:
   (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
   (2) Any upset which exceeds any effluent limitation in the permit; and
   (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Chief in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.

c) The Chief may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.

d) Compliance with the requirements of F.2. of this section, shall not relieve a person of compliance with Series III, Section 2 of the Board's rules.

3. Reporting Requirements

a) Planned changes. The permittee shall give notice to the Chief of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
   (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Series II of the Board's rules; or
   (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under F.2. of this section.

b) Anticipated noncompliance. The permittee shall give advance notice to the Chief of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural dischargers must notify the Chief in writing as soon as they know or have reason to believe:
   (1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, of any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
      (A) One hundred micrograms per liter (100 ug/l);
      (B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2, 4-dinitro phenol; and for 2-methyl 4, 6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
      (C) Five (5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4. b.7 or 4.4. b.9 of Series II of the Board's rules;
      (D) The level established by the Chief in accordance with Section 6.3.g. of Series II of the Board's rules;
   (2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
      (A) Five hundred micrograms per liter (500 ug/l);
      (B) One milligram per liter (1 mg/l) for antimony;
      (C) Ten (10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4. b.7. of Series II of the Board's rules;
      (D) The level established by the Chief in accordance with Section 6.3.g. of Series II of the Board's rules.
   (3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4 b.9 of Series II of the Board's rules and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
   (4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4 b.9 of Series II of the Board's rules and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in F.2. a).

G. OTHER REQUIREMENTS

1. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Chief of the Office of Water Resources as provided in Series II, Section 14 of the Legislative Rules of the State Water Resources Board.

2. If any existing non-domestic discharge causes, or is suspected of causing interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Chief of such violation or suspected violation.

3. If any existing non-domestic discharge is identified as being subject to a Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Chief of such violation or suspected violation.

4. The City of Nutter Fort is responsible for the operation and maintenance of the herein described sewage collection system.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit; with the plans and specifications submitted with Permit Application No. WV0100901, dated the 27th day of March, 19 92 ; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the State Water Resources Board.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0100901, dated the 27th day of March, 19 92 , and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and for the invocation of all the enforcement procedures set forth in Article 5A, Chapter 20 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Article 5A, Chapter 20 of the Code of West Virginia and is transferable under the terms of Section 7 of said article.

By: Loudley E. McCoy
Chief

LEM/rmh

CLOSING MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **June 4, 2002**

Re: **Town of Nutter Fort Sewer Revenue Bonds, Series 2002**
(West Virginia SRF Program)

1. DISBURSEMENTS TO THE TOWN OF NUTTER FORT

Payor:	West Virginia Department of Environmental Protection
Amount:	$224,650
Form:	Check
Payee:	Town of Nutter Fort
Contact:	Rosalie Brodersen - (304) 558-0637

2. DISBURSEMENTS BY TOWN OF NUTTER FORT TO THE WEST VIRGINIA MUNICIPAL BOND COMMISSION

A.

Payor:	Town of Nutter Fort
Amount:	$42,156
Form:	Check
Payee:	West Virginia Municipal Bond Commission
Memo:	Fund Series 2002 Bonds Reserve Account

State of West Virginia

WATER DEVELOPMENT AUTHORITY

180 Association Drive, Charleston, WV 25311-1217
(304) 558-3612 - (304) 558-0299 (Fax)
Internet: www.wvwda.org - Email: contact@wvwda.org

BOND CLOSING ATTENDANCE LIST

Date June 4, 2002 Time 11:00 a.m. LGA Nutter Fort, Town of Program CWSRF

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Summe L. Lee	Jackson Kelly PLLC	340.1318	340.1080	sgee@jacksonkelly.com
John Stump	Steptoe & Johnson PLLC	353.8196	353.8181	stumpjc@steptoe-johnson.com
Karrie Mattox	Steptoe & Johnson PLLC	556-8257	353-8181	mattoxkm@steptoe-johnson.com
Barbara B Meadows	Water Development Authority	558.3612	558.0299	bmeadows@wvwda.org
Rosalie Broderson	WV DEP	5580637	5583778	Mbroderson@mail.dep.state.wv.us

The Authority requests that the following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Tammy Gwinn, Recorder Telephone 304.622.7713 E-Mail
Address 1415 Buckhannon Pike, Nutter Fort West Virginia 26301

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the NonArbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code, 1986, as amended.

THIS AGREEMENT, made and entered into this 29th day of August, 1973, by and between THE SANITARY BOARD OF THE CITY OF CLARKSBURG, and the CITY OF CLARKSBURG, a municipal corporation, parties of the first part, and THE SANITARY BOARD OF THE TOWN OF NUTTER FORT, and the TOWN OF NUTTER FORT, a municipal corporation, parties of the second part.

WITNESSETH, THAT, WHEREAS, The City of Clarksburg has heretofore installed an interceptor sewer system within the City of Clarksburg whereby all of the sanitary sewage of the City is collected along the banks of Elk Creek and the West Fork River in the City of Clarksburg and transported in said interceptor sewer system to a point downstream along said West Fork River a short distance north of the City of Clarksburg, at which point it is contemplated and planned that there will be constructed a sewage disposal plant which interceptor sewer system is under the management and maintenance of the Sanitary Board of the City of Clarksburg; and,

WHEREAS, The City of Clarksburg and the Sanitary Board of the City of Clarksburg entered into an Agreement with the Town of Nutter Fort and the Sanitary Board of the Town of Nutter Fort, dated the 30th day of April, 1964, under the terms of which said Town of Nutter Fort was permitted to drain the effluent from its interceptor sanitary sewer system into the main interceptor of the City of Clarksburg, and to pay therefor a charge of one hundred five per cent (105%) of the water bill paid by said Town to the Clarksburg Water Board upon terms defined and set forth in said Agreement, and said Town agreed to abide by reasonable rules, regulations and requirements then in effect in said City with respect to materials entering said sewer system; and,

WHEREAS, said Agreement, among other terms, contained a provision in Paragraph 2 thereof that when the City of Clarksburg shall construct a sewage disposal plant an additional sum shall be charged to the said Town, also to be expressed in terms of a percentage of the water bill, the exact percentage to be agreed upon by parties at that time, and,

WHEREAS, said City is now in the process of building such sewage disposal plant and the residents of said City received a rate increase of one hundred thirty-five percent (135%) of their water bills; and,

WHEREAS, the parties hereto have been advised by their respective engineers that the proportional use and benefit to individual users of the respective sewer systems is the same, and, therefore, that the rate of increase in the rate should be the same for said Town as for the residents of Clarksburg, and should be expressed in terms of cost per cubic feet of water used rather than in terms of percentage of the water bill; and,

WHEREAS, The Sanitary Board of the City of Clarksburg in a regular meeting heretofore held has found that the capacity of its sewage disposal plant is sufficient to handle the sewage from said Town of Nutter Fort, both for the present and the foreseeable future; and,

WHEREAS, the parties hereto desire to agree upon such new rate and other matters relating to the use of the interceptor system and disposal plant of the said City by said Town.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto covenant and agree to and with each other as follows:

1. The parties of the first part covenant and agree that they will continue to accept into their interceptor sewer system sewage from the interceptor sewer system of the Town of Nutter Fort.

2. The parties of the first part further covenant and agree to accept sewage from the Town of Nutter Fort into the sewage disposal plant of the City of Clarksburg and to process the same along with other sewage delivered to said plant by the interceptor sewer system of the City of Clarksburg.

3. The parties of the second part covenant and agree to pay to the parties of the first part, for such right and privilege, and for the services hereafter to be performed in connection with the transporting and treatment of the sewage from the Town of Nutter Fort and the maintenance of the interceptor sewer system of the City of Clarksburg, a sum based upon the quantity of water delivered to the Town of Nutter Fort, after deduction is made for water furnished to other communities or areas by the Town of Nutter Fort, which communities or areas do not produce any sewage which goes into the Nutter Fort sewer system, at the following schedule of rates:

(a) The first four thousand (4,000) cubic feet of water at the rate of eighty-five and eight-tenths (85-8/10) cents per one hundred (100) cubic feet;

(b) The next sixteen thousand (16,000) cubic feet of water at the rate of sixty-three and thirty-six one hundredths (63-36/100) cents per one hundred (100) cubic feet;

(c) All water over twenty thousand (20,000) cubic feet at the rate of forty and ninety-two hundredths (40-92/100) cents per one hundred (100) cubic feet.

Said new rate will become effective immediately upon approval by the Public Service Commission of West Virginia, and said payment to be made monthly, not more than thirty (30) days after the receipt by second parties of a statement for said water and sewage system from the City of Clarksburg, through the Clarksburg Water Board or any other officer, agent, agency of the City of Clarksburg.

It is understood and agreed by and between the parties hereto, that in the event that the second parties shall fail or refuse to pay such rate, and such failure to pay shall continue for a period of sixty (60) days after the same shall become due as hereinabove provided, then all of the rights of second parties herein and hereunder shall immediately cease and terminate.

4. The parties of the first part covenant and agree that, subject to the further provisions hereof and the reasonable rules and regulations issued by the parties of the first part with respect to use of its said interceptor sewer system, the Town of Nutter Fort may allow such storm drainage as is now carried by the Nutter Fort sewer system to enter the interceptor sewer system of first parties, with the understanding that the second parties will separate storm or surface drainage and sanitary sewage where possible.

The parties of the second part covenant and agree to take all precautions to prevent harmful materials from entering the interceptor sewer system of first parties. The parties of the second part further covenant and agree to accept and abide by all ordinances, rules, regulations and requirements now in effect or hereafter promulgated by the Sanitary Board of the City of Clarksburg or by the Council of the City of Clarksburg with respect to the controls of materials entering the interceptor sewer system of the City of Clarksburg, and, in order to facilitate

the control of materials entering the sewer system of the Town of Nutter Fort, to put all such ordinances, rules, regulations and requirements into effect in the Town of Nutter Fort. The parties of the first part covenant and agree that any ordinances, rules, regulations and requirements hereafter promulgated affecting the Town of Nutter Fort shall not be more restrictive, difficult or expensive than the ordinances, rules, regulations and requirements promulgated with by the City of Clarksburg with respect to its sewage system.

5. With respect to sewage of the Town of Stonewood, which enters the interceptor sewer system of the Town of Nutter Fort prior to entering the interceptor system of the City of Clarksburg, the parties of the first part covenant and agree to assume responsibility for insuring proper control of materials from the Town of Stonewood entering the sewage system of the Town of Nutter Fort, all pursuant to that agreement dated July 20, 1973, by and between The Sanitary Board of the City of Clarksburg, The City of Clarksburg, the Sanitary Board of the Town of Stonewood, and The Town of Stonewood. The parties of the first part further covenant and agree that the parties of the second part shall not be in any way required to insure or enforce compliance by the Town of Stonewood with ordinances, rules, regulations and requirements promulgated by the parties of the first part.

6. The parties of the second part covenant and agree to report to The Sanitary Board of the City of Clarksburg at the time of each monthly payment, and on forms to be prepared and supplied by said Sanitary Board, such reasonable information concerning the sewage service and the operation of the sanitary sewer system of the Town of Nutter Fort as may be necessary to accurately bill said Town of Nutter Fort by the Sanitary Board of the City of Clarksburg.

7. The parties of the first part covenant and agree that in the event of a serious water leak or break in any major water line of the Town of Nutter Fort, the parties of the first part, acting by and through the Sanitary Board of the City of Clarksburg, shall give all reasonable consideration to the making of a fair adjustment in the sewer service charge to the second parties for the period in which the leak or break occurred, based and conditioned upon the following principles:

a. The adjustment shall be an attempt to make the sewer service charge apply only to water which can reasonable be estimated to have entered the Nutter Fort sanitary sewer system.

b. The burden shall be upon second parties to reasonably justify all claims for adjustments by the best available information.

c. Second parties shall have the duty and responsibility of making reasonable checks and inspections of its water lines in order to prevent leaks and breaks and in order to discover the same within a reasonable time after their occurrence.

d. Second parties shall, without delay, file notice in writing to the Sanitary Board of the City of Clarksburg upon learning of a water leak or break in any major waterline of said second parties.

e. No claim for adjustment shall be considered by the Sanitary Board of the City of Clarksburg filed later than the date for second monthly sewer service charge payment after the discovery of such leak or break.

8. The parties of the second part covenant and agree that in the event of a substantial increase in the operating costs of the sewage disposal plant of first parties which requires first parties to seek a higher sewer service charge rate for its residents,

upon written notice thereof given to second parties by first parties, the matter of the rate charge to second parties proceeded herein shall be open to new negotiations between said parties hereto for the purpose of fixing an equitable increase in said rate for second parties.

9. It is understood and agreed that at the time of the execution of this agreement, the parties of the first part have received or will receive Federal assistance in the form of a grant equal to 33-1/3% of those qualifying costs of construction of the aforementioned sewage disposal plant, and it is further understood and agreed that there are currently pending applications by the party of the first part for additional Federal assistance. The parties of the first part covenant and agree that in the event additional Federal assistance is given relative to the construction or operation of the said sewage disposal plant which results in, or reasonably could or should result in a decrease in sewer service charges, or in the event of a substantial decrease in the operating costs of said sewage disposal plant, or in the event that a decrease in the sewer service charge to the residents of the City of Clarksburg is approved by the Public Service Commission of West Virginia, then in any such event, or events, new negotiations between the parties hereto will be opened for the purpose of equitably lowering the rate to be charged to the Town of Nutter Fort in accordance with the principals and factors which determine the rates set forth herein.

10. In accordance with the law in such case made and provided, this agreement shall remain in force and effect for a period of fifteen (15) years from the date thereof; provided, however, that the parties of the second part shall have the right and

option to renew this agreement for two additional terms of fifteen (15) years each; provided, further, that the parties of the second part shall be deemed to have exercised and availed themselves of their right and option to renew this agreement at the expiration of each term thereof unless said second parties shall givenwritten notice to the parties of the first part, at least six (6) months prior to the expiration of the current term of the intent of the second parties not to renew the agreement in accordance with their right and option hereunder.

IN WITNESS WHEREOF, the said THE SANITARY BOARD OF THE CITY OF CLARKSBURG, and the CITY OF CLARKSBURG, a municipal corporation, and THE SANITARY BOARD OF THE TOWN OF NUTTER FORT, and THE TOWN OF NUTTER FORT, a municipal corporation, has caused these presents to be signed and its seal affixed by its proper officer thereunto duly authorized on this the 29th day of August, 1973.

THE SANITARY BOARD OF THE CITY OF CLARKSBURG

By Richard Barton
Richard Barton, Its Chairman

THE CITY OF CLARKSBURG, a municipal corporation

BY Richard Barton
Richard Barton, Its Manager

THE SANITARY BOARD OF THE
TOWN OF NUTTER FORT

By _____
Its Chairman

THE TOWN OF NUTTER FORT, a
municipal corporation

By _____
Its Mayor

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

I, Angeles Marshall a Notary Public in and for Harrison County, West Virginia, do hereby certify that RICHARD BARTON, whose name is signed to the writing hereto annexed, bearing date the 29 day of August, 1973, for the Sanitary Board of the City of Clarksburg, and whose name is also signed to said writing bearing said date for The City of Clarksburg, a municipal corporation, has this day, before me in my said County, acknowledged said writing to be the act and deed of said The Sanitary Board of The City of Clarksburg and The City of Clarksburg.

GIVEN under my hand this 29 day of August, 1973.

My Commission Expires: July 12, 1981.

_____
Notary Public in and for
Harrison County, West Virginia

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

I, Jeanne Thomas, a Notary Public in and for Harrison County, West Virginia, do hereby certify that _____, whose name is signed to the writing hereto annexed, bearing date the 29th day of August, 1973, for the Sanitary Board of The Town of Nutter Fort, and whose name is also signed to said writing bearing said date for The Town of Nutter Fort, a municipal corporation, has this day before me in my said County, acknowledged said writing to be the act and deed of said The Sanitary Board of the Town of Nutter Fort and The Town of Nutter Fort.

GIVEN under my hand this 29th day of August, 1973.

My Commission Expires: My Commission Expires Aug. 17, 1980.

_____
Notary Public in and for
Harrison County, West Virginia

STATE OF WEST VIRGINIA
WEST VIRGINIA DEVELOPMENT OFFICE
NOTICE OF GRANT AWARD CHANGE

Fiscal Year	Date	State Account #	Agreement Date	Grant Number
2002	11/28/2001	8746-2002-0307-096-128	1/31/2000	00-363

Grantee Name & Address	F.E.I.N.	Purpose of Change:
Town of Nutter Fort 1415 Buckhannon Pike Nutter Fort, WV 26301	556-000-875	Additional Funds

Program Name: SCBG

Project Name: Sewage Collection

Grant ID: B-01-DC-54-0001 and B-99-DC-54-0001

Project Number: 99SCBG-0050

Description of Change

Change Order # 1

Justification for Change

Additional funds needed to complete project.

Previous Total	$446,500.00
Increase	$28,500.00
Decrease	
New Total	$475,000.00

TERMS AND CONDITIONS OF ORIGINAL AGREEMENT ARE ON FILE IN THE WEST VIRGINIA DEVELOPMENT OFFICE AND AVAILABLE FOR INSPECTION. A COPY OF THE ORIGINAL AGREEMENT IS ATTACHED TO TRANSMITTAL_____.
PROCESSED ON OR ABOUT_____.
PAYMENT #_____.

Approved

Executive Director

11/30/01

Submitted By

Date

West Virginia USA West Virginia Development Office

November 27, 2001

The Honorable Donald Webster
Mayor
Town of Nutter Fort
1415 Buckhannon Pike
Nutter Fort, West Virginia 26301

Dear Mayor Webster:

RE: Small Cities Block Grant
Town of Nutter Fort—Sewer Irnprovements Project
Budget Amendment Request #1
Project Number: 99SCBG0050

This letter is in response to your request for a budget amendment to the above-referenced project. The Town of Nutter Fort is requesting an amendment to add $28,500 to the original grant award of $446,500. Governor Wise approved an award of $28,500 on November 16, 2001, to assist with the additional costs associated with this project. The budget amendment will be used for construction and administration.

The proposed budget amendment is as follows:

	Original	Change	Revised
Administration	$ 44,650.00	+ 2,850.00	$ 47,500.00
Construction	401,850.00	+25,650.00	427,500.00
TOTAL:	$ 446,500.00	+28,500.00	$ 475,000.00

Your budget amendment is approved, contingent upon the receipt of updates to the application, including updated disclosure forms, reflecting this revision. If you have any questions or concerns, please do not hesitate to contact Deanna Hornyak at (304) 558-4010, extension 36, or by e-mail to dhornyak@wvdo.org.

Sincerely,

Tracey Rowan, Manager
Project Development

TR:dhd

cc: Region VI
T. White, WVDO

STATE OF WEST VIRGINIA
OFFICE OF THE GOVERNOR
CHARLESTON 25305

BOB WISE
GOVERNOR

November 16, 2001

The Honorable Donald Webster
Mayor
Town of Nutter Fort
1415 Buckhannon Pike
Nutter Fort, West Virginia 26301

Dear Mayor Webster:

Thank you for your application to the Small Cities Block Grant program.

Your request has been approved in the amount of $28,500. These funds will enable you to cover part of the cost overruns associated with the sewer improvement project.

Please contact Ms. Deanna Hornyak of the West Virginia Development Office, at (304) 558-4010, to complete the necessary contract in order to proceed with your project.

The West Virginia Developrnent Office reserves the right to withdraw these funds if your project does not proceed on schedule. These funds would be replaced with a letter of intent for consideration from future allocations.

I am pleased to assist with these improvements for the citizens of Nutter Fort.

Very truly yours,

Bob Wise
Governor

BW:dhd

STATE OF WEST VIRGINIA
OFFICE OF THE GOVERNOR
CHARLESTON 25305

CECIL H. UNDERWOOD
GOVERNOR

November 8, 1999

The Honorable Dolores Terango
Mayor
Town of Nutter Fort
1415 Buckhannon Pike
Nutter Fort, West Virginia 26301

Dear Mayor Terango:

Thank you for your application to the Small Cities Block Grant program.

Your request has been approved in the amount of $446,500. These funds will enable you to correct the sources of inflow and infiltration in the sanitary sewer collection system for the town of Nutter Fort.

The West Virginia Development Office, Community Development staff, will contact you to complete the necessary contract in order to proceed with your project.

The West Virginia Development Office reserves the right to withdraw these funds if your project does not proceed on schedule. These funds would be replaced with a letter of intent for consideration from future allocations.

I am pleased to assist with these improvements for the town of Nutter Fort.

Very sincerely,

Cecil H. Underwood

CHU:ans

CC: D23 0725
* 1 C 0 0 2 GP09305595 5135 * N: 00 I: 000 T: 001

COPY

POLICY INFORMATION

The St Paul

THIS IS NOT A BILL.

YOUR POLICY IS DIRECTLY BILLED. IF THIS IS A POLICY CHANGE, THE ADDITIONAL OR RETURN PREMIUM WILL BE SHOWN ON FUTURE INSTALLMENT BILLINGS. IF ALL INSTALLMENTS HAVE BEEN BILLED, THE PREMIUM CHANGE WILL BE BILLED OR CREDITED PROMPTLY.
A BILL WILL BE SENT TO:
THE INSURED

Company: ST. PAUL FIRE & MARINE INSURANCE COMPANY

INSURED
TOWN OF NUTTER FORT
1415 BUCKHANNON PIKE
NUTTER FORT WV 26301

Policy Inception/Effective Date: 07/01/01
Policy Number: GP09305595
Agency Number: 4701292

Transaction Type:
RENEWAL OF POLICY
Transaction number: 001
Processing Date: 07/19/01 09:32

AGENT
ACORDIA OF WEST VIRGINIA
P.O. BOX 1551
CHARLESTON WV 25326-1551

9/26/01

Policy Number	Description	Amount	Surtax/ Surcharge
GP09305595	RENEWAL PREMIUM	$28,518.00	
GP09305595	UMBRELLA EXCESS LIABILITY	$2,679.00	
GP09305595	WEST VIRGINIA FIRE AND CASUALTY SURCHRG		$299.73

THE PREMIUM SHOWN DOES NOT INCLUDE A PREMIUM PAYMENT PLAN SERVICE CHARGE. IF YOU SELECTED A PREMIUM PAYMENT PLAN YOUR PAYMENT SCHEDULE/BILL WILL SHOW THIS CHARGE.

THIS POLICY IS ON A FOUR PAY PAYMENT PLAN.
A PAYMENT SCHEDULE/BILL WILL FOLLOW SHORTLY.

	PREMIUM	COMM. RATE	SURTAX/ SURCHARGE
	$31,197.00	17.0%	
		.0%	$299.73

* 1 C 0 0 2 GP09305595 5141 - N: 00 I: 000 T: 001 CC: D23 0725

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INTRODUCTION

The St Paul

This policy protects against a variety of losses. There are also some restrictions. We've written this policy in plain, easy-to-understand English. We encourage you to read it carefully to determine what is and what is not covered, as well as the rights and duties of those protected.

Policy Number: GP09305595

SAN ANTONIO PSEC
#105
2700 N.E. LOOP 410
SAN ANTONIO TX 78217

In return for your premium, we'll provide the protection stated in this policy.

We, us, our and ours mean **St. Paul Fire and Marine Insurance Company.** We're a capital stock company located in St. Paul, Minnesota.

The words you, your and yours mean the insured named here, which is a
MUNICIPALITY
TOWN OF NUTTER FORT
1415 BUCKHANNON PIKE
NUTTER FORT WV 26301

Your policy is composed of General Rules, an explanation of What To Do If You Have A Loss, one or more Coverage Summaries, and one or more Insuring Agreements explaining your coverage. It may also include one or more endorsements. Endorsements are documents that change your policy. The Policy Forms List shows all the forms included when this policy begins.

One of our authorized representatives will also countersign the policy.

This policy will begin on 07/01/01
and will continue until 07/01/02
Your former policy number is automatically replaced: GP09302639

Your premium for the policy period shown is: $31,496.73
However, please refer to the Premiums section of the General Rules to see how final premiums are determined.
INCLUDES UMBRELLA EXCESS PREMIUM
WEST VIRGINIA FIRE AND
CASUALTY SURCHARGE $299.73

Our authorized representative is:
4701292
ACORDIA OF WEST VIRGINIA
P.O. BOX 1551
CHARLESTON WV 25326-1551

President

Secretary

Authorized Representative

Date 09-04-01

Processing Date 07/19/01 09:32 001

CC: D23 0725
* 1 C O O 2 GP09305595 5159 - N: 00 I: 000 T: 001

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The St Paul

PROPERTY PROTECTION COVERAGE SUMMARY

Description and location of covered property

Item 001

BLANKET BUILDINGS AND BUSINESS PERSONAL PROPERTY AT LOCATIONS ON MOST RECENT STATEMENT OF VALUES WHICH YOU HAVE PROVIDED US.

	Limit Of Coverage	Valuation	Theft Coverage
BLANKET **Building**	$1,186,000 Coinsurance 90%	RC	See Location Schedule
BLANKET **Business Personal Property**	Incl W Bldg Coinsurance 90%	RC	See Location Schedule

Business Income

Blanket Earnings And Expenses

Your Property Protection deductible per event is $250 unless another amount is shown here: $1,000.

CC: D23 0725
* I C O O 2 GP09305595 5161 * N: 00 I: 000 T: 001

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The St Paul

LOCATIONS INCLUDED IN BLANKET

Item 001-001

OCCUPIED AS CITY OFFICES & FIRE DEPARTMENT
1415 BUCKHANNON PIKE
NUTTER FORT, WV 26301

BUILDING OPTIONS:

Theft Applies

BUSINESS PERSONAL PROPERTY OPTIONS:

Theft Applies

Item 001-002

OCCUPIED AS A WORK SHOP & GARAGE
101 ILLINOIS AVENUE
NUTTER FORT, WV 26301

BUILDING OPTIONS:

Theft Applies

BUSINESS PERSONAL PROPERTY OPTIONS:

Theft Applies

Item 001-003

OCCUPIED AS A LIBRARY
1300 BUCKHANNON PIKE
NUTTER FORT, WV 26301

BUILDING OPTIONS:

Theft Applies

BUSINESS PERSONAL PROPERTY OPTIONS:

CC: D23 0725
* M: 001 I: 000 T: 001
* 1 C O O 2 GP09305595 5163

COPY

PROPERTY PROTECTION COVERAGE SUMMARY CONTINUED - EQUIPMENT BREAKDOWN COVERAGE

The St Paul

This Coverage Summary shows the limits and extent of your Equipment Breakdown Coverage.

Covered Locations

Loc. No.

All Locations As Specified In The Most Recent Signed Statement Of Values On File With The Company.

Additional Coverage Limits

Coverage	Limit
Expediting Expenses	$ 250,000
Pollution Cleanup And Removal	$ 250,000
Spoilage	$ 250,000

Optional Coverages

☐ Business Income

☐ Blanket Earnings And Expenses

☐

Deductible

Your deductible shown in the Property Protection Coverage Summary applicable to property damage, business income or blanket earnings and expense applies to loss under Equipment Breakdown Coverage unless a specific deductible is shown below.

$ Hours Days times ADV

CC: D23 0725
*1C002GP09305595 5183 *M: 001 I: 000 T: 001

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PUBLIC SECTOR SERVICES PROPERTY PROTECTION ADDITIONAL BENEFITS COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits that apply to the Additional Benefits section of your agreement.

Refer to the Insuring Agreement for an explanation of coverage.

Additional Benefit	Additional Benefit Limit
Accounts Receivable	$100,000
Building Ordinances or Laws	$100,000
Computer	$50,000
Extra Expense	$25,000
Fine Arts	$50,000
Fire Department Service Charge	$25,000
Inventory and Appraisals	$10,000
Money and Securities	
Inside Limit	$10,000
Outside Limit	$5,000
Newly Acquired Property	
Building Limit	$1,000,000
Business Personal Property Limit	$500,000
Outdoor Property	$50,000
Other People's Property	$25,000
Pairs and Sets	$25,000
Personal Belongings	$50,000
Pollution Clean Up and Removal	$25,000
Property in Transit	$50,000
Temporary Location	$50,000
Valuable Records Research	$100,000
Water Damage	$50,000

Additional Benefit Restrictions

CC: D23 0725

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CONTRACTOR'S EQUIPMENT PROTECTION
COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limit and extent of your Contractor's Equipment Protection.

Coverage Summary ☒ *indicates applicable.*

Scheduled equipment		**Limit of coverage**
☐ See schedule attached	☒ Schedule on file	$ 142,768
Unscheduled equipment you own or have in your care that is used in your business, but no more than $ for any one item.		$
Unscheduled equipment leased or rented from others that is used in your business, but no more than $ for any one item.		$
Catastrophe limit		$ 142,768

Your Rates

Scheduled Equipment	per $100 of value
Unscheduled Equipment you own	per $100 of value
Unscheduled Equipment you lease or rent from others Deposit and minimum annual premium	per $100 of rental fees (included in premium on Introduction page)

Your Deductible

$ 250 ☒ All Coverages ☐ All Coverages Except As Indicated Below
$
$
$

Increased Additional Benefits Coverage

☐ Employee Tools	increased to:	$	any one employee
		$	maximum any one loss
☐ Rental Expenses	increased to:	$	any one day
		$	maximum any one loss

Name of Insured TOWN OF NUTTER FORT
Policy Number GP09305595
Effective Date 07/01/01
Processing Date 07/19/01 09:32 001

CC: 023 0725

* I C O O 2 GP09305595 5205 * M: 001 I: 000 T: 001

COPY

WHO WE'LL PAY FOR LOSS

The St Paul

This endorsement changes your:
INLAND MARINE

How Your Coverage Is Changed

We'll adjust any loss with you. However, our payments for property loss will be made to you and the person or organization shown below based on the interest each of you has in the covered property.

Person or organization
SEE BELOW

Description of property	Covered perils	Limit of coverage
ONE SEWER CAMERA	ALL	$31,000.

LOSS PAYEE'S:

COMVEST LTD, INC.
P.O. BOX 2025
CLARKSBURG, WV 26302

WESBANCO BANK, INC.
1130 JOHNSON AVENUE
BRIDGEPORT, WV 26330

Other Terms

All other terms of your policy remain the same.

Name of Insured
TOWN OF NUTTER FORT

Policy Number GP09305595 **Effective Date** 07/01/01
Processing Date 07/19/01 09:32 001

CC: D23 0725

* 1 C O O 2 GP09305595 5207 * M: 00 I: 000 T: 001

COPY

WHO WE'LL PAY FOR LOSS

The St Paul

This endorsement changes your:
INLAND MARINE

How Your Coverage Is Changed

We'll adjust any loss with you. However, our payments for property loss will be made to you and the person or organization shown below based on the interest each of you has in the covered property.

Person or organization

WesBanco Bank Fairmont, Inc.
P.O. Box 1152
Fairmont, WV 26555-1152

Description of property	Covered perils	Limit of coverage
1995 US Jett, Inc. Trailer with Highpressure Sewer Flush S#1U9F51317TA044247	All Risk	$35,000.

Other Terms

All other terms of your policy remain the same.

CC: D23 0725
* N: 00 I: 000 T: 001
* 1 C 0 0 2 GP09305595 5209

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PUBLIC ENTITY GENERAL LIABILITY PROTECTION COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits of coverage that apply to your Public Entity General Liability Protection. It also lists those endorsements, if any, that must have certain information shown for them to apply.

Limits Of Coverage

General total limit.	$	5,000,000
Products and completed work total limit.	$	5,000,000
Personal injury each person limit.	$	1,000,000
Advertising injury each person limit.	$	1,000,000
Each event limit.	$	1,000,000
Failure to supply limit.	$	0
Medical expenses limit.	$	5,000
Premises damage limit.	$	500,000
Sewer back-up limit.	$	100,000

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

PSS Described Person Or Organization Endt - Addl Protected Persons
Described Person or Organization
COMVEST LTD., INC.
P.O. BOX 2025
CLARKSBURG, WV 26302

AS RESPECTS TO SEWER CAMERA

Described Person or Organization
WESBANCO BANK, INC.
1130 JOHNSON AVENUE
BRIDGEPORT, WV 26330

AS RESPECTS TO 1. 1995 US JETT INCL TRAILER W/HIGH PRESSURE SEWER, #4247
2. SEWER CAMERA

CC: D23 0725
*1C002GP09305595 5249 *M: 001 I: 000 T: 001

COPY

STOP-GAP EMPLOYERS LIABILITY PROTECTION COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits of coverage that apply to your Stop-Gap Employers Liability Protection. It also shows each state or territory where your operations or work involves employment to which that agreement applies. And it lists those endorsements, if any, that must have certain information shown for them to apply.

Limits Of Coverage	
Bodily injury by accident each accident limit.	$ 1,000,000
Bodily injury by disease total limit.	$ 1,000,000
Bodily injury by disease each employee limit.	$ 1,000,000

State or territory:
West Virginia

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

* I C O O 2 GP09305595 5259 * M: 001 I: 000 T: 001 CC: D23 0725

COPY

LAW ENFORCEMENT LIABILITY PROTECTION COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits of coverage and deductibles that apply to your Law Enforcement Liability Protection. It also lists those endorsements, if any, that must have certain information shown for them to apply.

Limits Of Coverage		Deductibles	
Total limit.	$3,000,000	**Each wrongful act deductible.**	$1,000
Each wrongful act limit.	$1,000,000	**Total deductible.**	

Important Note: If a Total deductible is not shown, the total amount you'll be responsible for within the other deductible is not limited.

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

CC: 023 0725
* M: 001 T: 000 T: 001
* 1 C 0 0 2 GP09305595 5275

PUBLIC ENTITY MANAGEMENT LIABILITY PROTECTION – CLAIMS–MADE COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits of coverage, deductibles and retroactive date that apply to your Public Entity Management Liability Protection - Claims-Made. It also lists those endorsements, if any, that must have certain information shown for them to apply.

Limits Of Coverage		Deductibles	
Total limit.	$ 3,000,000	**Each wrongful act deductible.**	$ 1,000
Each wrongful act limit.	$ 1,000,000	**Total deductible.**	$

Important Note: If a Total deductible is not shown, the total amount you'll be responsible for within the other deductible is not limited.

Retroactive Date: 07/01/2001

Important Note: If no date is shown above, we'll consider the retroactive date to be the same as the beginning date of this policy.

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

CC: D23 0725
* M: 001 T: 000 I: 001
* I C O O 2 GP09305595 5293

COPY

EMPLOYEE BENEFIT PLANS ADMINISTRATION LIABILITY PROTECTION – CLAIMS-MADE COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits of coverage, deductible, and extended reporting period endorsement premium that apply to your Employee Benefit Plans Administration Liability Protection - Claims-Made.

Limits Of Coverage

Each wrongful act.	$1,000,000
Total limit.	$3,000,000

Deductible

Each wrongful act.	$1,000

Extended Reporting Period Endorsement Premium

$

Name of Insured
TOWN OF NUTTER FORT

Policy Number GP09305595 **Effective Date** 07/01/01

Processing Date 07/19/01 09:32 001

CC: D23 0725
* I C O O 2 GP0930595 5303 * M: 001 I: 000 T: 001

COPY

AUTO COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the Limits of Coverage that apply to your Commercial Auto Protection. A blank section or space indicates no coverage.

Auto Liability Protection

Covered Autos:

- [X] Any Auto
- [ ] Scheduled autos
- [ ] Other:
- [ ] Owned Commercial autos
- [ ] Hired autos
- [ ] Owned Private Passenger autos
- [ ] Non owned autos

Limit of Coverage:

$1,000,000 each accident

Other:

Auto Medical Payments Protection

Covered Autos:

- [ ] Scheduled autos
- [X] Any auto
- [ ] Owned Private Passenger autos
- [ ] Owned Commercial autos
- [ ] Other:

Limits of Coverage *(Refer to the Auto Schedule)*

Other:

* I C O O 2 GP09305595 5305 * M: 00 I: 000 T: 001 CC: D23 0725

COPY

AUTO COVERAGE SUMMARY – CONTINUED

The ST Paul

Auto No Fault Protection

Covered Autos:
☐ Owned Autos that are subject to State No-Fault Laws

Limits of Coverage: See your Agreement and any Optional Coverage Summary.
Other:

Other Coverage

Auto Uninsured Motorists Protection

Autos Covered:
REQUIRED BY LAW

Uninsured Limits of Coverage:

FOR THE STATE OF WV
$1,000,000 PER ACCIDENT

Underinsured Limits of Coverage:

FOR THE STATE OF WV
$1,000,000 PER ACCIDENT

* I C O O 2 GP09305595 5361 * M: 001 T: 000 T: 001 CC: D23 0725

PUBLIC SECTOR SERVICES
UMBRELLA EXCESS LIABILITY PROTECTION
COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limits of coverage and deductible that apply to your Umbrella Excess Liability Protection. It also lists those endorsements, if any, that must have certain information shown for them to apply.

Limits Of Coverage

General total limit.	$ 1,000,000
Products and completed work total limit.	$ 1,000,000
Personal injury each person limit.	$ 1,000,000
Advertising injury each person limit.	$ 1,000,000
Law enforcement liability each wrongful act limit.	$ 1,000,000
Each event limit.	$ 1,000,000
Deductible (This deductible applies to each event or offense not covered by your Basic Insurance.)	$ 10,000

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

Form 47265, "Described Work Exclusion Endorsement - Umbrella Excess Liability":

Please refer to General Liability Form G0271, "Public Sector Services Excluded Operations Endorsement", for additional exclusions that apply.

Form 47266, "Described Premises Exclusion Endorsement - Umbrella Excess Liab.":

Please refer to General Liability Form G0272, "Public Sector Services Excluded Premises Endorsement", for additional exclusions that apply.

* I C O O 2 GP09305595 5407 * M: 001: 000 T: 001 CC: D23 0725

EXCESS ERRORS AND OMISSIONS LIABILITY PROTECTION - CLAIMS-MADE
COVERAGE SUMMARY

The St Paul

This Coverage Summary shows the limit of coverage that applies to your Excess Errors And Omissions Liability Protection - Claims-Made and describes your Basic Errors And Omissions Insurance. It also lists those endorsements, if any, that must have certain information shown for them to apply.

Limit Of Coverage

Total limit	$ 1,000,000

Schedule Of Basic Errors And Omissions Liability Insurance

Description Of Coverage: Employee Benefits Plans Admin. Liab. Protection-Claims Made

Insurer: St. Paul Fire & Marine Ins. Co

Policy number: GP09305595

Policy period:
From: 07/01/2001 To: 07/01/2002

Limits Of Coverage

Each wrongful act limit.	$ 1,000,000
Total limit.	$ 3,000,000

Description Of Coverage: Public Entity Management Liability Protection Claims-Made

Insurer: St. Paul Fire & Marine Ins Co

Policy number: GP09305595

Policy period:
From: 07/01/2001 To: 07/01/2002

Limits Of Coverage

Each Wrongful Act Limit	$ 1,000,000
Total Limit	$ 3,000,000

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.