

OHIO COUNTY PUBLIC SERVICE DISTRICT

**Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)**

Date of Closing: May 30, 2002

BOND TRANSCRIPT

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BOND TRANSCRIPT

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OHIO COUNTY PUBLIC SERVICE DISTRICT

WATER REVENUE BONDS, SERIES 2002 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

BOND RESOLUTION

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OHIO COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF OHIO COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$528,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF OHIO COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

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

A. Ohio County Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Ohio, Brooke and Marshall Counties of said State.

B. The Issuer presently owns and operates a public waterworks system. However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain additions, betterments, improvements and extensions to the existing public waterworks facilities of the Issuer, consisting of a 1,400 gallon per minute water pumping station on Glenn's Run Road in Ohio County, together with all appurtenant facilities (collectively, the "Project") (the existing public waterworks facilities of the Issuer, the Project and any further improvements or extensions 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 a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Infrastructure Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than \$528,000 (the "Series 2002 A Bonds"), to permanently finance the costs of acquisition and construction of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2002 A Bonds prior to and during acquisition and construction of the Project 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 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2002 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2002 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Series 2002 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the respective parties (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are outstanding obligations of the Issuer which will rank on a parity with the Series 2002 A Bonds as to liens, pledge, source of and security for payment, being the Water Revenue and Refunding Bonds, Series 1980, dated March 10, 1981, issued in the aggregate principal amount of \$3,060,000 (the "Series 1980 Bonds"), the Water Revenue Bond, Series 1992 A, dated February 7, 1992, issued in the aggregate principal amount of \$284,000 (the "Series 1992 A Bonds"), the Water Revenue Bond, Series 1992 B, dated February 7, 1992, issued in the aggregate principal amount of \$616,000 (the "Series 1992 B Bonds") and the Water Revenue Bond, Series 1992 C, dated February 7, 1992, issued in the aggregate principal amount of \$191,000 (the "Series 1992 C Bonds") (collectively, the "Prior Bonds"). Prior to the issuance of the Series 2002 A Bonds, the Issuer will obtain (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds have been met and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2002 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolution.

The Issuer has paid in full and discharged its Water Revenue Bonds, Series B, dated August 1, 1970 (the "1970 Bonds"), on or about February 1, 2002. Therefore the lien position of the Series 1992 A Bonds, Series 1992 B Bonds and Series 1992 C Bonds has been upgraded from a second lien position to a first lien position all on a parity with the Series 1980 Bonds and the Series 2002 A Bonds.

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 and the principal of and interest on the Series 2002 A Bonds and the Prior Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2002 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein 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 A Bonds or such final order will not be subject to appeal.

J. The Project has been reviewed and determined to be technically and financially feasible by the 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 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders of any and all of such Series 2002 A Bonds, all of 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 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2002 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman duly selected by the Governing Body.

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

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all 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 the Series 2002 A Bonds, the Prior Bonds and, where appropriate, any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution 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.

"Chairman" means the Chairman of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2002 A Bonds for all or a portion of the proceeds of the Series 2002 A Bonds from the Authority.

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

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

"Consulting Engineers" means Vaughn, Coast & Vaughn, Inc., St. Clairsville, Ohio, 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 West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

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

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

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

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

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

"Grants" means all monies received by the Issuer on account of any Grant for the Project.

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

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

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

"Investment Property" means

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

(B) any obligation,

(C) any annuity contract,

(D) any investment-type property, or

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

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

"Issuer" means Ohio County Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Ohio, Brooke and Marshall Counties, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2002 A 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.

"Net Proceeds" means the face amount of the Series 2002 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2002 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2002 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

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

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

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

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond canceled 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; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, 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 other entity designated as such for the Series 2002 A Bonds in the Supplemental Resolution.

"Prior Bonds" means, collectively, the Series 1980 Bonds, the Series 1992 A Bonds, the Series 1992 B Bonds and the Series 1992 C Bonds.

"Prior Resolution" means, collectively, the resolutions adopted by the Issuer, as supplemented, authorizing the issuance of the Prior Bonds.

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

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

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

- (a) Government Obligations;
- (b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;
- (c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

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

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

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

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

(h) The West Virginia "consolidated fund" managed by the West Virginia 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 excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Rebate Fund" means the Rebate Fund established by Section 5.01 hereof.

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

"Registrar" means the Bond Registrar.

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

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by combining the Renewal and Replacement Fund hereof and the Capital Expenditures Fund previously established by the Prior Resolution and continued hereby.

"Reserve Accounts" means, collectively, the respective reserve accounts established for the Series 2002 A Bonds and the Prior Bonds.

"Reserve Requirement" means, collectively, the respective amount required to be on deposit in the Reserve Accounts for the Series 2002 A Bonds and the Prior Bonds.

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

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 1980 Bonds" means the Water Revenue Bond, Series 1980, dated March 10, 1981, described in Section 1.02(G) hereof.

"Series 1992 A Bonds" means the Water Revenue Bond, Series 1992 A, dated February 7, 1992, described in Section 1.02(G) hereof.

"Series 1992 B Bonds" means the Water Revenue Bond, Series 1992 B, dated February 7, 1992, described in Section 1.02(G) hereof.

"Series 1992 C Bonds" means the Water Revenue Bond, Series 1992 C, dated February 7, 1992, described in Section 1.02(G) hereof.

"Series 2002 A Bonds" means the Issuer's Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), authorized to be issued hereby.

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

"Series 2002 A Bonds Reserve Account" means the Series 2002 A Bonds Reserve Account established in the Series 2002 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

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

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

"Sinking Funds" means, collectively, the respective sinking funds established for the Series 2002 A Bonds and the Prior Bonds.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2002 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2002 A Bonds, and not so included, may be included in another Supplemental Resolution.

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

"System" means the complete public waterworks system of the Issuer, as presently existing in its entirety or any integral part thereof, and all waterworks facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks system; and shall also include the Project and any and all extensions, additions, betterments and improvements thereto hereafter acquired or constructed for the waterworks system from any sources whatsoever.

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

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

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

ARTICLE II

AUTHORIZATION OF ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project.

There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of \$611,357, 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 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and has entered into or will enter into contracts for the acquisition and construction of the Project, compatible with the financing plan submitted to the Authority and the Council.

The cost of the Project is estimated to be \$611,357, of which \$528,000 will be obtained from proceeds of the Series 2002 A Bonds, and \$83,357 will be obtained from the funds of the Issuer.

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 A Bonds, funding a reserve account for the Series 2002 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2002 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2002 A Bonds of the Issuer. The Series 2002 A Bonds shall be issued as a single bond, designated as "Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund)," in the principal amount of not more than \$528,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2002 A Bonds remaining after funding of the Series 2002 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest on the Series 2002 A Bonds, if any, shall be deposited in or credited to the Series 2002 A Bonds Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2002 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, 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 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2002 A 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 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2002 A Bonds. The Series 2002 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

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

Section 3.03. Execution of Bonds. The Series 2002 A Bonds shall be executed in the name of the Issuer by the Chairman, and the seal of the Issuer shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2002 A Bonds shall cease to be such officer of the Issuer before the Series 2002 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2002 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2002 A Bonds shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bonds, substantially in the forms 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 Bonds shall be conclusive evidence that such Bonds have been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on the Series 2002 A Bonds shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2002 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2002 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2002 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2002 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2002 A Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case the Series 2002 A Bonds shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be canceled 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 A Bonds shall not, in any event, be or constitute an 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 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2002 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2002 A Bonds shall be secured by a first lien on the Net Revenues derived from the System on a parity with the lien on the Net Revenues in favor of the Holders of the Prior Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2002 A Bonds and the Prior Bonds, and to make all other payments provided for in the Bond Legislation, 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 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2002 A Bonds to the original purchasers upon receipt of the documents set forth below:

- A. If other than the Authority, a list of the names in which the Series 2002 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;
- B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2002 A Bonds to the original purchasers;
- C. An executed and certified copy of the Bond Legislation;
- D. An executed copy of the Loan Agreement; and
- E. The unqualified approving opinion of bond counsel on the Series 2002 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2002 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2002 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
OHIO COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2002 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: That OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Ohio, Brooke and Marshall Counties 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, with interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 200__, at the rate per annum as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2002.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public waterworks facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks facilities of the Issuer, the Project and any further improvements or extensions 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 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (the "Act"), a Bond Resolution duly adopted 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 ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATER REVENUE AND REFUNDING BONDS, SERIES 1980, DATED MARCH 10, 1981, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$3,060,000; WATER REVENUE BOND, SERIES 1992 A, DATED FEBRUARY 7, 1992, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$284,000; WATER REVENUE BOND, SERIES 1992 B, DATED FEBRUARY 7, 1992, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$616,000; AND WATER REVENUE BOND, SERIES 1992 C, DATED FEBRUARY 7, 1992, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$191,000 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2002 A 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 shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2002 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the

Prior Bonds; provided however, that so long as there exists in the Series 2002 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

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

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated _____, 2002.

[SEAL]

Chairman

ATTEST:

Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is the Series 2002 A Bond 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 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman 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 Secretary 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. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

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

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank.

The following special funds or accounts are hereby created with (or continued if previously established by the Prior Resolution) and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

- (1) Revenue Fund (established by Prior Resolution);
- (2) Renewal and Replacement Fund (resulting from combining the Renewal and Replacement Fund, created hereby and the Capital Expenditures Fund, established by the Prior Resolution);
- (3) Series 2002 A Bonds Construction Trust Fund; and
- (4) Rebate 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 and the Issuer and from each other:

- (1) Series 2002 A Bonds Sinking Fund; and
- (2) Series 2002 A Bonds Reserve Account.

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

- (1) The Issuer shall first, each month, pay from the Revenue Fund the Operating Expenses of the System.
- (2) The Issuer shall next, each month, transfer from the Revenue Fund and remit (i) on or before the due date of payment of each installment on the Prior

Bonds, the amounts required by the Prior Resolutions for the payment of interest on the Prior Bonds; and (ii) on the first day of each month, commencing 3 months prior to the first date of payment of interest on the Series 2002 A Bonds for which interest has not been capitalized or as required in the Loan Agreement, to the Commission for deposit in the Series 2002 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest which will become due on the Series 2002 A Bonds on the next ensuing quarterly interest payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2002 A Bonds Sinking Fund and the next quarterly interest payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, each month, transfer from the Revenue Fund and remit (i) on or before the due date of payment of each installment on the Prior Bonds, the amounts required by the Prior Resolutions for the payment of principal of the Prior Bonds; and (ii) on the first day of each month, commencing 3 months prior to the first date of payment of principal of the Series 2002 A Bonds, to the Commission for deposit in the Series 2002 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2002 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2002 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, each month, transfer from the Revenue Fund and remit (i) on or before the due date of payment of each installment on the Prior Bonds, the amounts required by the Prior Resolutions for deposit into the respective Reserve Accounts for the Prior Bonds; and (ii) on the first day of each month, commencing 3 months prior to the first date of payment of principal of the Series 2002 A Bonds, if not fully funded upon issuance of the Series 2002 A Bonds, remit to the Commission for deposit in the Series 2002 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2002 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2002 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2002 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and

all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation.

C. 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.

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

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at 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 any of the funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

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

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

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2002 A Bonds Construction Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose 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 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2002 A Bonds, there shall first be deposited with the Commission in the Series 2002 A Bonds Sinking Fund, the amount, if any, set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2002 A Bonds for the period commencing on the date of issuance of the Series 2002 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

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

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2002 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2002 A Bonds Construction Trust Fund and applied solely to payment of the costs of the acquisition and construction of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2002 A 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 A Bonds shall be applied as directed by the Council.

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

Except as provided in Section 6.01 hereof, disbursements from the Series 2002 A Bonds Construction Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer 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 A Bonds Construction Trust Funds shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2002 A Bonds within 3 years of the date of issuance of the Council's Bonds, the proceeds of which were used to make the loan to the Issuer.

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 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 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2002 A Bonds or the interest thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2002 A Bonds shall not be nor constitute an 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 A Bond shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2002 A Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Position with Respect to Prior Bonds. The payment of the debt service of the Series 2002 A Bonds shall be secured by a first lien on such Net Revenues derived from the System on a parity with the lien on such Net Revenues in favor of the Holders of the Prior Bonds. The Net Revenues in an amount sufficient to pay the principal of and interest on the Series 2002 A Bonds and the Prior Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, 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 and facilities of the System shall be as set forth and approved and described in the Commission Order of the Public Service Commission of West Virginia entered October 2, 2001, in Case No. 01-0309-PWD-42T.

So long as the Series 2002 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth

in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2002 A 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 Prior Bonds are outstanding, the Issuer shall not sell, mortgage, lease or otherwise dispose of or encumber the System, or any part thereof, except as provided in the Prior Resolution. Additionally, so long as the Series 2002 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully 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 A Bonds, immediately be remitted to the Commission for deposit in the Series 2002 A Bonds Sinking Fund, and, with the written permission of the Authority and the Council, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest on the Series 2002 A Bonds. Any balance remaining after the payment of the Series 2002 A Bonds and interest thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution 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, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine upon consultation with a professional engineer 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 of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into such account by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of \$50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of the Bonds then Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided for in this Section 7.06 and 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 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2002 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, and source of and security for payment from such revenues and in all other respects, to the Series 2002 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2002 A Bonds, and the interest thereon upon any or all of the income and revenues of the System pledged for payment of the Series 2002 A Bonds and the interest thereon in this Bond Legislation, or upon the System or any part thereof.

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

Section 7.07. Parity Bonds. So long as the Prior Bonds are outstanding, the limitations on the issuance of parity obligations set forth in the Prior Resolution shall be applicable. In addition, no Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2002 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided.

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

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of additions extensions, improvements or betterments to the System or refunding any outstanding Bonds, or both such purposes.

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

- (1) The Bonds Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds than proposed to be issued.

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

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

- (1) The Bonds then Outstanding;
- (2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and
- (3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates adopted by the Issuer, the time for appeal of which shall have expired prior to the 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 Secretary prior to the issuance of such Parity Bonds.

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

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2002 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2002 A Bonds.

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

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

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

The Issuer shall 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 Council, the Authority, or any other original purchaser of the Series 2002 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2002 A Bonds, requesting the same, an annual report containing the following:

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

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

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants in compliance with the applicable OMB Circular, or any successor thereto, and the Single Audit Act, or any successor thereto, to the extent legally required, and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2002 A Bonds, and shall submit said report to the Council and the Authority, or any other original purchaser of the Series 2002 A Bonds. Such audit report submitted to the Authority and the Council 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 permit the Authority and the Council, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of construction and commencement of operations of the Project, the Issuer shall also provide the Authority and the Council, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2002 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii)

to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Series 2002 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2002 A Bonds, including the Prior Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Series 2002 A Bonds Reserve Account and the Reserve Accounts for obligations on a parity with the Series 2002 A Bonds, including the Prior Bonds, are funded at least at the requirement therefor, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest on the Series 2002 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2002 A Bonds, including the Prior Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall within 30 days of adoption thereof mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the Council and to any Holder of any Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, 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 and the Council and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

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

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

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

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

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

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

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 30 days after the same shall become due and payable, the property and the owner thereof, as well as the user of the services and facilities, shall be delinquent until such time as all such rates and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off

the services of the System to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law.

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

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Series 2002 A Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(1) FIRE, LIGHTNING, VANDALISM, MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the 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 contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than \$1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than \$500,000 per occurrence from claims for damage to property

of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT 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 Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

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

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

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

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

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

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

Section 7.17. Completion, Operation and Maintenance of Project; Permits and Orders. The Issuer shall complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards. The Issuer shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2002 A Bonds are outstanding.

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

Section 7.18. 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 A Bonds are used for Private Business Use if, in addition, the payment of more than 10% of the principal or 10% of the interest due on the Series 2002 A Bonds during the term thereof is, under the terms of the Series 2002 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) and that, in the event that both (A) in excess of 5% of the Net Proceeds of the Series 2002 A Bonds are used for a Private Business Use, and (B) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2002 A Bonds during the term thereof is, under the terms of the Series 2002 A Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Series 2002 A Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Series 2002 A Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of

that portion of the Project to which such Private Business Use is related, all of the foregoing to be determined in accordance with the Code.

B. **PRIVATE LOAN LIMITATION.** The Issuer shall assure that not in excess of the lesser of 5% or \$5,000,000 of the Net Proceeds of the Series 2002 A Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

C. **FEDERAL GUARANTEE PROHIBITION.** The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2002 A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

D. **INFORMATION RETURN.** The Issuer shall file all statements, instruments and returns necessary to assure the tax-exempt status of the Series 2002 A Bonds and the interest thereon, including, without limitation, the information return required under Section 149(e), if any, of the Code.

E. **FURTHER ACTIONS.** The Issuer shall 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 A Bonds will be and remain excludable from gross income for federal income tax purposes, and shall 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 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2002 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2002 A Bonds and shall be on a parity with the statutory mortgage lien in favor of the Holders of the Prior Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority.

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

Section 7.21. Securities Laws Compliance. The Issuer shall 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 7.22. Contracts; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2002 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2002 A Bonds held in "contingency" as set forth in the schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2002 A Bonds made available due to bid or construction or project underruns.

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

ARTICLE VIII

INVESTMENT OF FUNDS; NON-ARBITRAGE

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

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

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often 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 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest on the Series 2002 A Bonds from gross income for federal income tax purposes.

Section 8.02. Arbitrage and Tax Exemption. The Issuer covenants that (i) it shall not take, or permit or suffer to be taken, any action with respect to the gross or other proceeds of the Series 2002 A Bonds which would cause the Series 2002 A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take any and all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Series 2002 A Bonds) so that the

interest on the Series 2002 A Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion.

Section 8.03. Tax Certificate and Rebate. The Issuer shall deliver a certificate of arbitrage, a tax certificate or other similar certificate to be prepared by nationally recognized bond counsel or tax counsel relating to payment of arbitrage rebate and other tax matters as a condition to issuance of the Series 2002 A Bonds. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Series 2002 A Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of this Bond Legislation.

The Issuer shall calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which, notwithstanding anything herein to the contrary, shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. Notwithstanding anything herein to the contrary, the Rebate Fund shall be held free and clear of any lien or pledge hereunder and shall be used only for payment of rebatable arbitrage to the United States. The Issuer shall pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. In the event that there are any amounts remaining in the Rebate Fund following all such payments required by the preceding sentence, the Depository Bank shall pay said amounts to the Issuer to be used for any lawful purpose of the System. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor. In addition, the Issuer shall cooperate with the Authority in preparing rebate calculations and in all other respects in connection with rebates and hereby consents to the performance of all matters in connection with such rebates by the Authority at the expense of the Issuer. To the extent not so performed by the Authority, the Issuer and the Depository Bank (at the expense of the Issuer) may provide for the employment of independent attorneys, accountants or consultants compensated on such reasonable basis as the Issuer or the Depository Bank may deem appropriate in order to

assure compliance with this Section 8.03. The Issuer shall keep and retain, or cause to be kept and retained, records of the determinations made pursuant to this Section 8.03 in accordance with the requirements of Section 148(f) of the Code and such Regulations. In the event the Issuer fails to make such rebates as required, the Issuer shall pay the required rebate amount, any and all penalties and other amounts, from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, and take any other actions necessary, in order to maintain the exclusion of interest on the Series 2002 A Bonds from gross income for federal income tax purposes.

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

The Issuer shall submit to the Authority within 15 days following the end of each Bond Year a certified copy of its rebate calculation or, if the Issuer qualifies for any exception to rebate, the Issuer shall submit a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the Bond Year which would make the Series 2002 A Bonds subject to rebate. The Issuer shall also furnish the Authority, at any time, such additional information relating to rebate as may be reasonably requested by the Authority, including information with respect to earnings on all funds constituting "gross proceeds" of the Series 2002 A Bonds (as such term "gross proceeds" is defined in the Code).

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2002 A Bonds:

- (1) If default occurs in the due and punctual payment of the principal of or interest on the Series 2002 A Bonds; or
- (2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2002 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2002 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, or Paying Agent, or any other Paying Agent or a Holder of a Bond; or
- (3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America; or
- (4) If default occurs with respect to the Prior Bonds or the Prior Resolution.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners; provided that, all rights and remedies of the holders of the Series 2002 A Bonds shall be on a parity with the of the holders of the Prior Bonds.

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

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

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

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

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the

System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of said System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2002 A Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of 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 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest on the Series 2002 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2002 A Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2002 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2002 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2002 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein pledged therefor without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. 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, if any, on the Series 2002 A Bonds from gross income of the holders thereof.

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

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution 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 Resolution, the Supplemental Resolution, or the Series 2002 A Bonds.

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

Section 11.05. Conflicting Provisions Repealed; Prior Resolution. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; provided that, in the event of any conflict

between this Bond Legislation and the Prior Resolution, the Prior Resolution shall control (unless less restrictive), so long as the Prior Bonds are outstanding.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 11.07. Public Notice of Proposed Financing. Prior to making formal application to the Public Service Commission of West Virginia for a Certificate of Public Convenience and Necessity and adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation in each municipality in Ohio County Public Service District and within the boundaries of the District, a Class II legal advertisement stating:

- (a) The maximum amount of the Series 2002 A Bonds to be issued;
- (b) The maximum interest rate and terms of the Series 2002 A Bonds authorized hereby;
- (c) The public service properties to be acquired or constructed and the cost of the same;
- (d) The maximum anticipated rates which will be charged by the Issuer; and
- (e) The date that the formal application for a certificate of public convenience and necessity is to be filed with the Public Service Commission of West Virginia.

Section 11.08. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 23rd day of May, 2002.

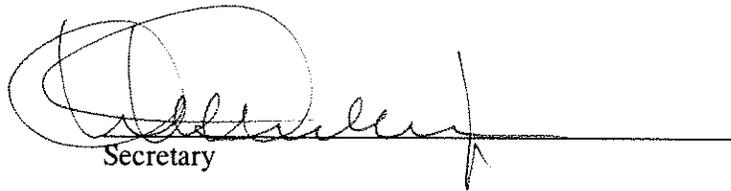

Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board
of OHIO COUNTY PUBLIC SERVICE DISTRICT on the 23rd day of May, 2002.

Dated: May 30, 2002.

[SEAL]



Secretary

05/17/02
670150.00001

CH498889.1

EXHIBIT A

Loan Agreement included in bond transcript as Document 3.



OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF OHIO COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE 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 Public Service Board (the "Governing Body") of Ohio County Public Service District (the "Issuer") has duly and officially adopted a bond resolution, on May 23, 2002 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS FACILITIES OF OHIO COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN \$528,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF

SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

WHEREAS, the Bond Resolution provides for the issuance of Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds" or "Series 2002 A Bonds"), in the principal amount not to exceed \$528,000, and has authorized the execution and delivery of the loan agreement relating to the Series 2002 A Bonds, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution 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 prices and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

WHEREAS, the Series 2002 A 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, the sale price and other terms 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 OHIO COUNTY PUBLIC SERVICE DISTRICT:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$528,000. The Series 2002 A Bonds shall be dated the date of delivery thereof, shall finally mature June 1, 2022, and shall bear interest at the rate of three percent (3%) per annum. The interest on and principal of the Series 2002 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2002 and maturing June 1, 2022, 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 A Bonds. The Series 2002 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, 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 A Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, 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 application to the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate Branch Banking and Trust Company, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2002 A Bonds under the Bond Resolution 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 Chairman, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2002 A Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate WesBanco Elm Grove, Elm Grove, West Virginia, to serve as Depository Bank under the Bond Resolution.

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

Section 8. Series 2002 A Bonds proceeds in the amount of -0- shall be deposited in the Series 2002 A Bonds Reserve Account. The Issuer hereby approves and directs the transfer of monies held by the Commission in the Series 1970 Bonds Reserve Fund, in an amount equal to \$35,529, being the maximum amount of principal and interest which will mature and become due on the Series 2002 A Bonds in any year to be deposited in the Series 2002 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2002 A Bonds, as advanced from time to time, shall be deposited in or credited to the Series 2002 A Bonds Construction Trust Fund for payment of the costs of the acquisition and construction of the Project, including, without limitation, costs of issuance of the Series 2002 A Bonds and related costs.

Section 10. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2002 A Bonds may be delivered on or about May 30, 2002, to the Authority pursuant to the Loan Agreement.

Section 11. The acquisition and construction of the Project and the financing thereof, in part with proceeds of the Bonds, 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 12. The Issuer hereby determines that it is in the best interest of the Issuer to invest all monies in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, subject to any limitation of the Purchaser with respect of the proceeds of the Bonds, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Monies in the Series 2002 A Bonds Sinking Fund, including the Series 2002 A Reserve Account therein, shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 13. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a

manner which would result in the exclusion of the Bonds from the treatment afforded by Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (the "Code"), by reason of the classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and Treasury Regulations promulgated or to be promulgated thereunder.

Section 14. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

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

Adopted this 23rd day of May, 2002.

OHIO COUNTY PUBLIC SERVICE DISTRICT

By: James C. Boyd Jr
Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Ohio County Public Service District on this 23rd day of May, 2002.

Dated: May 30, 2002.

[SEAL]



Secretary

05/17/02
670150.00001

IC-1
(10/2/01)

LOAN AGREEMENT

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

OHIO COUNTY PUBLIC SERVICE DISTRICT
(Governmental Agency)

WITNESSETH:

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

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

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

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

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

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

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

ARTICLE I

Definitions

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

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

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

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

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

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

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined,

to evidence the Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

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

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

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

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

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

ARTICLE II

The Project and the System

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

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

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all

or a portion of said property or any interest therein is approved by the Authority and Council.

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

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

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

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

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

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

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

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

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

2.12 The Governmental Agency, commencing on the date contracts are executed for the 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 C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

ARTICLE III

Conditions to Loan; Issuance of Local Bonds

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

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

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

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

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

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

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which

may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

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

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

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

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

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

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

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

ARTICLE IV

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

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

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

(i) to pay Operating Expenses of the System;

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

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

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

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

(b) Covenants substantially as follows:

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

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

ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment.

The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month;

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

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

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

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

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

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule B attached to the certificate of the

Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds available due to bid/construction/project underruns; and

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project.

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

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

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

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

shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

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

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

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

ARTICLE V

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

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

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

5.3 In the event the Governmental Agency defaults in the payment due to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest

at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

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

ARTICLE VI

Other Agreements of the Governmental Agency

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

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

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

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

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

ARTICLE VII

Miscellaneous

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

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

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

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

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

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

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

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

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

7.10 This Loan Agreement shall terminate upon the earlier of:

- (i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;
- (ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or
- (iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

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

OHIO COUNTY PUBLIC SERVICE DISTRICT

(SEAL)

By: James C. Boyle Jr.
Its: Chairperson

Date: 5/23/02

Attest:

[Signature]
Its: Secretary

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

(SEAL)

By: Daniel B. Lyubak
Its: Director

Date: 5.30.02

Attest:

Barbara B. Meadows
Its: Secretary-Treasurer

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

(Issuer)

(Name of Bonds)

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

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

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

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

of financing set forth in the Schedule B attached hereto as Exhibit A and my firm¹ 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/BPH/PSC] and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof, ²the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project set forth in the Schedule B attached hereto and approved by the Council; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

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

[SEAL]

By: _____
West Virginia License No. _____

¹If 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".

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

EXHIBIT B

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

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

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

Ladies and Gentlemen:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Very truly yours,

EXHIBIT C

[Form of Monthly Financial Report]

[Name of Governmental Agency]

[Name of Bond Issue]

Fiscal Year - ____

Report Month: _____

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

Witnesseth my signature this ____ day of _____, _____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Instructions for Completing Monthly Financial Report

1. You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual gross revenues for the current month and the total amount year to date in the respective columns. Divide the budgeted annual gross revenues by 12. For example, if gross revenues of \$1,200 are anticipated to be received for the year, each month the base would be increased by \$100 ($1200/12$). 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. Any administrative fee should be included in the operating expenses. Divide the budgeted annual operating expenses by 12. For example, if operating expenses of \$900 are anticipated to be incurred for the year, each month the base would be increased by \$75 ($900/12$). This is the incremental amount for the Budget Year to Date column.
3. In Item 3, provide the principal, interest and reserve account payments for all the outstanding bonds of the Governmental Agency 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 Governmental Agency.
6. The Governmental Agency must complete the Monthly Financial Report and forward it to the Council 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. The Council will notify the Governmental Agency when the Monthly Financial Report no longer needs to be filed.

EXHIBIT D

[Monthly Payment Form]

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

Re: [Name of bond issue]

Ladies and Gentlemen:

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

Sinking Fund:

Interest \$ _____

Principal \$ _____

Total: \$ _____

Reserve Account: \$ _____

Witness my signature this ____ day of _____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds	\$528,000
Purchase Price of Local Bonds	\$528,000

Commencing December 1, 2002, interest on the Local Bonds is payable quarterly, at the rate of 3% per annum. Commencing December 1, 2002, principal of the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

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

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

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

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

1. Water Revenue and Refunding Bonds, Series 1980, dated March 10, 1981, issued in the original principal amount of \$3,060,000.
2. Water Revenue Bonds, Series 1992A, dated February 7, 1992, issued in the original principal amount of \$284,000.
3. Water Revenue Bonds, Series 1992B, dated February 7, 1992, issued in the original principal amount of \$616,000.
4. Water Revenue Bonds, Series 1992C, dated February 7, 1992, issued in the original principal amount of \$191,000.

Ohio County Public Service District (West Virginia)

Loan of \$430,000

20 Years from Closing Date, 3% Interest Rate

Closing Date: May 30, 2002

DEBT SERVICE SCHEDULE

SCHEDULE
UL
E
Y

6/01/2002	-	-	-	-
9/01/2002	-	-	-	-
12/01/2002	4,008.65	3.000%	3,225.00	7,233.65
3/01/2003	4,038.72	3.000%	3,194.94	7,233.66
6/01/2003	4,069.01	3.000%	3,164.64	7,233.65
9/01/2003	4,099.52	3.000%	3,134.13	7,233.65
12/01/2003	4,130.27	3.000%	3,103.38	7,233.65
3/01/2004	4,161.25	3.000%	3,072.40	7,233.65
6/01/2004	4,192.46	3.000%	3,041.19	7,233.65
9/01/2004	4,223.90	3.000%	3,009.75	7,233.65
12/01/2004	4,255.58	3.000%	2,978.07	7,233.65
3/01/2005	4,287.50	3.000%	2,946.15	7,233.65
6/01/2005	4,319.65	3.000%	2,914.00	7,233.65
9/01/2005	4,352.05	3.000%	2,881.60	7,233.65
12/01/2005	4,384.69	3.000%	2,848.96	7,233.65
3/01/2006	4,417.57	3.000%	2,816.08	7,233.65
6/01/2006	4,450.71	3.000%	2,782.94	7,233.65
9/01/2006	4,484.09	3.000%	2,749.56	7,233.65
12/01/2006	4,517.72	3.000%	2,715.93	7,233.65
3/01/2007	4,551.60	3.000%	2,682.05	7,233.65
6/01/2007	4,585.74	3.000%	2,647.91	7,233.65
9/01/2007	4,620.13	3.000%	2,613.52	7,233.65
12/01/2007	4,654.78	3.000%	2,578.87	7,233.65
3/01/2008	4,689.69	3.000%	2,543.96	7,233.65
6/01/2008	4,724.86	3.000%	2,508.79	7,233.65
9/01/2008	4,760.30	3.000%	2,473.35	7,233.65
12/01/2008	4,796.00	3.000%	2,437.65	7,233.65
3/01/2009	4,831.97	3.000%	2,401.68	7,233.65
6/01/2009	4,868.21	3.000%	2,365.44	7,233.65
9/01/2009	4,904.73	3.000%	2,328.93	7,233.66
12/01/2009	4,941.51	3.000%	2,292.14	7,233.65
3/01/2010	4,978.57	3.000%	2,255.08	7,233.65
6/01/2010	5,015.91	3.000%	2,217.74	7,233.65
9/01/2010	5,053.53	3.000%	2,180.12	7,233.65
12/01/2010	5,091.43	3.000%	2,142.22	7,233.65
3/01/2011	5,129.62	3.000%	2,104.03	7,233.65
6/01/2011	5,168.09	3.000%	2,065.56	7,233.65
9/01/2011	5,206.85	3.000%	2,026.80	7,233.65
12/01/2011	5,245.90	3.000%	1,987.75	7,233.65
3/01/2012	5,285.25	3.000%	1,948.40	7,233.65
6/01/2012	5,324.89	3.000%	1,908.76	7,233.65
9/01/2012	5,364.82	3.000%	1,868.83	7,233.65
12/01/2012	5,405.06	3.000%	1,828.59	7,233.65
3/01/2013	5,445.60	3.000%	1,788.05	7,233.65
6/01/2013	5,486.44	3.000%	1,747.21	7,233.65
9/01/2013	5,527.59	3.000%	1,706.06	7,233.65
12/01/2013	5,569.04	3.000%	1,664.61	7,233.65

Ohio County Public Service District (West Virginia)

Loan of \$430,000

20 Years from Closing Date, 3% Interest Rate

Closing Date: May 30, 2002

DEBT SERVICE SCHEDULE

3/01/2014	5,610.81	3.000%	1,622.84	7,233.65
6/01/2014	5,652.89	3.000%	1,580.76	7,233.65
9/01/2014	5,695.29	3.000%	1,538.35	7,233.65
12/01/2014	5,738.00	3.000%	1,495.65	7,233.65
3/01/2015	5,781.04	3.000%	1,452.61	7,233.65
6/01/2015	5,824.40	3.000%	1,409.25	7,233.65
9/01/2015	5,868.08	3.000%	1,365.57	7,233.65
12/01/2015	5,912.09	3.000%	1,321.56	7,233.65
3/01/2016	5,956.43	3.000%	1,277.22	7,233.65
6/01/2016	6,001.10	3.000%	1,232.55	7,233.65
9/01/2016	6,046.11	3.000%	1,187.54	7,233.65
12/01/2016	6,091.46	3.000%	1,142.19	7,233.65
3/01/2017	6,137.14	3.000%	1,096.51	7,233.65
6/01/2017	6,183.17	3.000%	1,050.48	7,233.65
9/01/2017	6,229.55	3.000%	1,004.10	7,233.65
12/01/2017	6,276.27	3.000%	957.38	7,233.65
3/01/2018	6,323.34	3.000%	910.31	7,233.65
6/01/2018	6,370.76	3.000%	862.89	7,233.65
9/01/2018	6,418.55	3.000%	815.10	7,233.65
12/01/2018	6,466.68	3.000%	766.97	7,233.65
3/01/2019	6,515.18	3.000%	718.47	7,233.65
6/01/2019	6,564.05	3.000%	669.60	7,233.65
9/01/2019	6,613.28	3.000%	620.37	7,233.65
12/01/2019	6,662.88	3.000%	570.77	7,233.65
3/01/2020	6,712.85	3.000%	520.80	7,233.65
6/01/2020	6,763.20	3.000%	470.45	7,233.65
9/01/2020	6,813.92	3.000%	419.73	7,233.65
12/01/2020	6,865.03	3.000%	368.63	7,233.65
3/01/2021	6,916.51	3.000%	317.14	7,233.65
6/01/2021	6,968.39	3.000%	265.26	7,233.65
9/01/2021	7,020.65	3.000%	213.00	7,233.65
12/01/2021	7,073.30	3.000%	160.35	7,233.65
3/01/2022	7,126.35	3.000%	107.30	7,233.65
6/01/2022	7,179.80	3.000%	53.85	7,233.65
Total	430,000.00	-	141,458.38	571,458.38

Ferris, Baker Watts

File = Ohio County Public Service District Loans.st-IF 5-13-02 Revised

West Virginia Public Finance Office

5/13/2002 4:23 PM

Ohio County Public Service District (West Virginia)

Loan of \$98,000
20 Years from Closing Date, 3% Interest Rate
Closing Date: May 30, 2002

DEBT SERVICE SCHEDULE

6/01/2002	-	-	-	-
9/01/2002	-	-	-	-
12/01/2002	913.60	3.000%	735.00	1,648.60
3/01/2003	920.45	3.000%	728.15	1,648.60
6/01/2003	927.35	3.000%	721.24	1,648.59
9/01/2003	934.31	3.000%	714.29	1,648.60
12/01/2003	941.32	3.000%	707.28	1,648.60
3/01/2004	948.38	3.000%	700.22	1,648.60
6/01/2004	955.49	3.000%	693.11	1,648.60
9/01/2004	962.66	3.000%	685.94	1,648.60
12/01/2004	969.88	3.000%	678.72	1,648.60
3/01/2005	977.15	3.000%	671.45	1,648.60
6/01/2005	984.48	3.000%	664.12	1,648.60
9/01/2005	991.86	3.000%	656.74	1,648.60
12/01/2005	999.30	3.000%	649.30	1,648.60
3/01/2006	1,006.80	3.000%	641.80	1,648.60
6/01/2006	1,014.35	3.000%	634.25	1,648.60
9/01/2006	1,021.95	3.000%	626.64	1,648.59
12/01/2006	1,029.62	3.000%	618.98	1,648.60
3/01/2007	1,037.34	3.000%	611.26	1,648.60
6/01/2007	1,045.12	3.000%	603.48	1,648.60
9/01/2007	1,052.96	3.000%	595.64	1,648.60
12/01/2007	1,060.86	3.000%	587.74	1,648.60
3/01/2008	1,068.81	3.000%	579.79	1,648.60
6/01/2008	1,076.83	3.000%	571.77	1,648.60
9/01/2008	1,084.91	3.000%	563.69	1,648.60
12/01/2008	1,093.04	3.000%	555.56	1,648.60
3/01/2009	1,101.24	3.000%	547.36	1,648.60
6/01/2009	1,109.50	3.000%	539.10	1,648.60
9/01/2009	1,117.82	3.000%	530.78	1,648.60
12/01/2009	1,126.20	3.000%	522.39	1,648.59
3/01/2010	1,134.65	3.000%	513.95	1,648.60
6/01/2010	1,143.16	3.000%	505.44	1,648.60
9/01/2010	1,151.73	3.000%	496.86	1,648.59
12/01/2010	1,160.37	3.000%	488.23	1,648.60
3/01/2011	1,169.08	3.000%	479.52	1,648.60
6/01/2011	1,177.84	3.000%	470.76	1,648.60
9/01/2011	1,186.68	3.000%	461.92	1,648.60
12/01/2011	1,195.58	3.000%	453.02	1,648.60
3/01/2012	1,204.54	3.000%	444.05	1,648.59
6/01/2012	1,213.58	3.000%	435.02	1,648.60
9/01/2012	1,222.68	3.000%	425.92	1,648.60
12/01/2012	1,231.85	3.000%	416.75	1,648.60
3/01/2013	1,241.09	3.000%	407.51	1,648.60
6/01/2013	1,250.40	3.000%	398.20	1,648.60
9/01/2013	1,259.78	3.000%	388.82	1,648.60
12/01/2013	1,269.22	3.000%	379.38	1,648.60

Ohio County Public Service District (West Virginia)

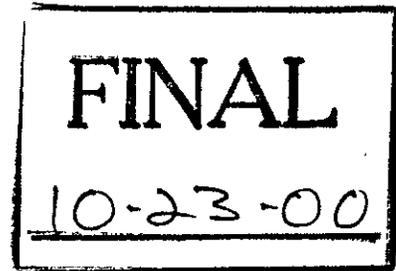
Loan of \$98,000
20 Years from Closing Date, 3% Interest Rate
Closing Date: May 30, 2002

DEBT SERVICE SCHEDULE

3/01/2014	1,278.74	3.000%	369.86	1,648.60
6/01/2014	1,288.33	3.000%	360.27	1,648.60
9/01/2014	1,298.00	3.000%	350.60	1,648.60
12/01/2014	1,307.73	3.000%	340.87	1,648.60
3/01/2015	1,317.54	3.000%	331.06	1,648.60
6/01/2015	1,327.42	3.000%	321.18	1,648.60
9/01/2015	1,337.38	3.000%	311.22	1,648.60
12/01/2015	1,347.41	3.000%	301.19	1,648.60
3/01/2016	1,357.51	3.000%	291.09	1,648.60
6/01/2016	1,367.69	3.000%	280.91	1,648.60
9/01/2016	1,377.95	3.000%	270.65	1,648.60
12/01/2016	1,388.29	3.000%	260.31	1,648.60
3/01/2017	1,398.70	3.000%	249.90	1,648.60
6/01/2017	1,409.19	3.000%	239.41	1,648.60
9/01/2017	1,419.76	3.000%	228.84	1,648.60
12/01/2017	1,430.40	3.000%	218.19	1,648.59
3/01/2018	1,441.13	3.000%	207.47	1,648.60
6/01/2018	1,451.94	3.000%	196.66	1,648.60
9/01/2018	1,462.83	3.000%	185.77	1,648.60
12/01/2018	1,473.80	3.000%	174.80	1,648.60
3/01/2019	1,484.86	3.000%	163.74	1,648.60
6/01/2019	1,495.99	3.000%	152.61	1,648.60
9/01/2019	1,507.21	3.000%	141.39	1,648.60
12/01/2019	1,518.52	3.000%	130.08	1,648.60
3/01/2020	1,529.91	3.000%	118.69	1,648.60
6/01/2020	1,541.38	3.000%	107.22	1,648.60
9/01/2020	1,552.94	3.000%	95.66	1,648.60
12/01/2020	1,564.59	3.000%	84.01	1,648.60
3/01/2021	1,576.32	3.000%	72.28	1,648.60
6/01/2021	1,588.14	3.000%	60.46	1,648.60
9/01/2021	1,600.05	3.000%	48.54	1,648.59
12/01/2021	1,612.06	3.000%	36.54	1,648.60
3/01/2022	1,624.15	3.000%	24.45	1,648.60
6/01/2022	1,636.33	3.000%	12.27	1,648.60
Total	98,000.00	-	32,239.33	130,239.33

SCHEDULE Z

None.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTONEntered: October 3, 2000

CASE NO. 00-0652-PWD-CN

OHIO COUNTY PUBLIC SERVICE DISTRICT

Application for a certificate of convenience and necessity to construct, maintain and operate a 1,400-gallon per minute water pumping station on Glenn's Run Road in Ohio County.

RECOMMENDED DECISION

On July 21, 2000, the Ohio County Public Service District (District) filed for a certificate of convenience and necessity to construct, maintain and operate a 1,400-gallon per minute water pumping station on Glenn's Run Road in Ohio County.

The District estimated that the total cost of this project would not exceed \$600,000. The District intends to borrow an amount of money not to exceed \$600,000, at a maximum rate of interest of 6% per annum and a term of not less than 15 nor more than 40 years. The District anticipated no change in the rates to be charged to its customers as a result of this project.

By Notice of Filing Order entered on July 21, 2000, the District was directed to give notice of its application by publishing a copy of the Notice of Filing once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Ohio County. If no public protest is timely filed in response to the published Notice, the Commission is authorized to render a decision without a hearing, by virtue of the provisions of West Virginia Code §24-2-11.

By Commission Order entered on August 3, 2000, the Commission granted Ohio County's motion to waive the requirement that a Tariff Rule 42 financial exhibit be filed with its certificate application. The Commission further ordered that this proceeding be referred to the Division of Administrative Law Judges for a decision to be rendered on or before February 16, 2001.

On September 18, 2000, Ohio County Public Service District filed an affidavit of publication indicating that publication was made of the Notice of Filing on July 28, 2000, in the Wheeling Intelligencer. No protests were filed in response to the published Notice.

On September 29, 2000, C. Terry Owen, Staff Attorney, filed a Final Joint Staff Memorandum attached to which was a Final Staff Memorandum

published on July 28, 2000. (See, Affidavit of Publication filed September 18, 2000).

3. The Office of Environmental Health Services has issued Permit No. 14,447 for this project. (See, Permit filed June 14, 2000).

4. Construction costs were originally expected to be no more than \$600,000. Actual bids came in significantly lower, at \$474,000. Financing has been obtained at a rate of 6.18% for a period of 15 years. (See, Final Joint Staff Memorandum filed September 29, 2000).

5. The majority of the water delivered by the District to its customers is purchased through the Glenn's Run Road pumping station. The existing station was built in the 1960s and, due to customer growth and demand, the current station cannot deliver the amount of water needed by its customers even by running the existing pumps 24-hour per day. The District has selected a better location for the new pump station with a lower elevation that is closer to the City of Wheeling. (See, Application filed July 21, 2000; Final Joint Staff Memorandum filed September 29, 2000).

6. Staff is of the opinion that the project is in the public interest, is adequately funded and should be approved. (See, Final Joint Staff Memorandum filed September 29, 2000).

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project.

2. The proposed project will provide adequate service.

3. The proposed project is adequately financed and is economically feasible.

4. Ohio County Public Service District has provided adequate and proper notice to the public of the proposed project and no protests have been filed in response thereto.

5. Good cause has been shown to waive formal hearing in this matter, pursuant to West Virginia Code §24-2-11, since no protests have been received to the project.

6. The issuance of a certificate of convenience and necessity shall be valid for the project, as proposed.

7. Any substantial changes in the scope of this project and/or funding after the granting of the certificate, will require further approval from the Public Service Commission.

ORDER

IT IS, THEREFORE, ORDERED that a certificate of convenience and necessity be, and it hereby is, granted to Ohio County Public Service

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 8th day of November, 2001.

CASE NO. 00-0652-PWD-CN

OHIO COUNTY PUBLIC SERVICE DISTRICT,
a public utility.

Application for a certificate of convenience and necessity to construct, maintain, and operate a 1,400 gallon per minute water pumping station on Glenn's Run Road in Ohio County.

COMMISSION ORDER

On July 21, 2000, the Ohio County Public Service District (District) filed an application for a certificate of convenience and necessity to construct, maintain, and operate a 1,400 gallon per minute water pumping station on Glenn's Run Road in Ohio County.

On October 3, 2000 (Final Order October 23, 2000), the Commission issued an order granting a certificate of convenience and necessity to the District, as requested in its application. Additionally, the proposed financing consisting of a loan from the WesBanco Bank of Wheeling, in the amount of \$474,000 at a fixed rate of 6.18% for a term of 15 years was also approved in that order.

On September 17, 2001, the District filed a "Motion to Amend Order" to reopen the above-captioned case. Staff stated that the final construction costs will be \$490,000, plus engineering fees of \$37,000 and permit fees of \$1,000 for a total cost of \$528,000 for the project. The District further stated that it had been offered an infrastructure loan from the West Virginia Infrastructure & Jobs Development Council in the approximate amount of \$528,000, at a fixed rate of 3% for a term of 20 years. However, to take advantage of the loan the District needed the Commission to issue an order in this matter in a time frame that allowed the District to close on the loan prior to December 1, 2001. The District also stated that the amendment and the approved financing will not change the rates to be charged as a result of the project.

On October 3, 2001, Commission Staff filed its "Initial and Final Joint Staff Memorandum." Commission Staff stated that it had reviewed the request and found that the

proposed financing from the West Virginia Infrastructure & Jobs Development Council will reflect a monthly payment of \$2,928.28 versus \$4,046.12 approved in the original loan from WesBanco, for a monthly savings of \$1,117.84. Additionally, Staff found that the new loan would cover the additional costs associated with the project and still provide for monthly and long-term financial cost savings. Staff recommended that the case be reopened for the limited purpose of approving the increased project expenses and associated financing. Staff recommended the Commission grant its approval without further public notice or a hearing and that such approval be granted in an expedited fashion.

DISCUSSION

Upon consideration of the foregoing, the Commission finds that it is reasonable and appropriate to reopen this certificate proceeding for the purpose of approving the revised project cost and revised financing as described above.

FINDINGS OF FACT

1. The District seeks approval of an increase in the construction costs of this project as well as approval of a loan from the West Virginia Infrastructure & Jobs Development Council in place of a previously approved loan.
2. The total cost of the project has increased from \$474,000 to \$528,000.
3. The loan from the West Virginia Infrastructure & Jobs Development Council, in the amount of \$528,000, is at a fixed rate of 3% for a term of 20 years. Accordingly, by accepting the loan from the West Virginia Infrastructure & Jobs Development Council instead from WesBanco, the District will realize a monthly savings of \$1,117.84.
4. The scope of the certificated project has not been changed.

CONCLUSION OF LAW

It is reasonable and appropriate to reopen this certificate proceeding for the purpose of approving the increase in cost and revised financing as described above.

ORDER

IT IS THEREFORE ORDERED that the Ohio County Public Service District's petition to reopen this case for approval of revised project cost and financing is hereby granted.

IT IS FURTHER ORDERED that the requested increase in project costs to a total of \$528,000 is hereby approved.

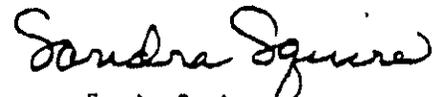
IT IS FURTHER ORDERED that the District is permitted to accept the loan from the West Virginia Infrastructure & Jobs Development Council at a fixed rate of 3% for a term of 20 years in place of the loan previously approved from WesBanco Bank of Wheeling.

IT IS FURTHER ORDERED that if there are further changes in the project's scope or funding, the District must seek the Commission's approval of those changes.

IT IS FURTHER ORDERED that upon entry of this order, this case shall be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

A True Copy. Teste:


Sandra Squire
Executive Secretary

ARC
JJW/lfg
000652ca.wpd



West Virginia Infrastructure & Jobs Development Council

Public Members:

James D. Williams, Chairman
St. Albans

James L. Harrison, Sr., Vice Chairman
Princeton

Dwight Calhoun
Petersburg

William J. Harman
Grafton

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

Katy Mallory, P.E.
Executive Secretary

March 6, 2000

Edwin Clifford, Manager
Ohio County Public Service District
411 National Road
Triadelphia, WV 26059

Re: Ohio County Public Service District
Water System Upgrade 99W-499

Dear Mr. Clifford:

The West Virginia Infrastructure and Jobs Development Council (the "Council"), at its March 1, 2000 meeting, reviewed the Ohio County Public Service District's (the "District") resubmitted preliminary application regarding its proposed project to replace an existing pumping station (the "Project").

Based on the findings of the Water Technical Review Committee, the Council has determined that the project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The District should carefully review the enclosed comments of the Water Technical Review Committee. The District may need to address certain issues raised in said comments as it proceeds with the project.

Upon consideration of the District's resubmitted preliminary application, the Council recommends that the District pursue a Drinking Water Treatment Revolving Fund ("DWTRF") loan in the amount of \$430,000 to finance this Project. Please contact the Bureau for Public Health at 558-2981 for specific information on the steps the District needs to follow to apply for this loan. **Please note that this letter does not constitute funding approval from the DWTRF program.**

If you have any questions regarding this matter, please contact Katy Mallory at the above-referenced telephone number.

Sincerely,

James D. Williams

JDW/rr

cc: Walt Ivey, P.E., B.P.H.
William Phipps, Region 10

West Virginia Infrastructure & Jobs Development Council

Public Members:

James D. Williams, Chairman
St. Albans
William J. Harman, PE, Vice Chairman
Grafton
Dwight Calhoun
Petersburg
Tim Rutledge
Gilbert

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

Katy Mallory, PE
Executive Secretary

KMallory@ezwv.com

August 4, 2000

Mr. Edwin Clifford, General Manager
Ohio County Public Service District
411 National Road
Tridelfphia, West Virginia 26059

Re: Water system upgrade project 99W-499

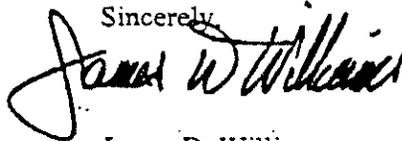
Dear Mr. Clifford:

The West Virginia Infrastructure and Jobs Development Council, at its August 2, 2000 meeting, voted to offer the Ohio County Public Service District (the "District") a Binding Commitment for an Infrastructure Fund loan of \$430,000 to finance the District's replacement of the existing pumping station with a new 1,400 gpm pumping station (the "Project"). The Council proposes to offer this assistance for a term of 20 years with 3% interest.

The Council also determined that in order to receive the proposed Binding Commitment, the District must adhere to a certain project schedule. Additionally, any Binding Commitment issued will be contingent upon the availability of Infrastructure Funds, which is expected to be realized with the anticipated Revenue Bond Issue in October.

Please call Katy Mallory at 558-4607 to establish the necessary project schedule and finalize the proposed Binding Commitment.

Sincerely,



James D. Williams

JDW/rc

cc: Walt Ivey, PE, BPH
Region X P&D Council

West Virginia Infrastructure & Jobs Development Council

Public Members:

Russell L. Isaacs, Chairman
Cottageville
Dwight Calhoun
Petersburg
William P. Stafford, II, Esquire
Princeton

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE
Executive Secretary

KMallory@ezwv.com

September 5, 2001

Edwin Clifford, Manager
Ohio County Public Service District
411 National Road
Triadelphia, WV 26059

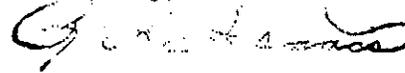
Re: Binding Commitment Letter - Revised
Water System Project
Project 99W-499
Expiration Date: December 31, 2001

Dear Mr. Clifford:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has approved a revision to the Infrastructure Council's Binding Commitment letter of May 8, 2001 to the Ohio County Public Service District (the "District") for financing its water project. At its September 5, 2001 meeting, the Infrastructure Council voted to revise the binding commitment with an additional \$98,000 Infrastructure Fund loan for a total Infrastructure Fund loan of \$528,000. All other conditions of that May 8, 2001 binding commitment remain in effect. A revised Schedule A is enclosed.

If the District has any questions regarding this commitment, please contact Katy Mallory at (304) 558-4607.

Sincerely,



Russell Isaacs

RI/km/pk
Attachments

cc: Walt Ivey, BPH
Vaughn, Coast & Vaughn, Inc.
Region X Planning & Development Council

Edwin Clifford
September 5, 2001
Page 2

NOTE: This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return two copies to this office.

Ohio County Public Service District

By: *James C. Boyd*

Its: *Chairman*

Date: *09/12/01*

WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

Ohio County Public Service District
Water System Project
99W-499
September 5, 2001

SCHEDULE A - Revised

- A. Approximate Amount: \$528,000 - Loan
- B. Loan:
1. Interest Rate: 3%
 2. Maturity Date: 20 years from the date of loan closing
 3. Loan Advancement Date(s): At loan closing.
 4. Debt Service Commencement Date: The first quarter following loan closing.
 5. Special Conditions: None

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

- C. Total Project Cost: \$528,000
- D. Binding Commitment Expiration: December 31, 2001

West Virginia Infrastructure & Jobs Development Council

Public Members:

James D. Williams, Chairman
St. Albans
William J. Harman, PE, Vice Chairman
Grafton
Dwight Calhoun
Petersburg
William P. Stafford, II, Esquire
Princeton

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE
Executive Secretary

KMallory@ezwv.com

May 8, 2001

Mr. Edwin K. Clifford, Manager
Ohio County Public Service District
P.O. Box 216
411 National Road
Triadelphia, West Virginia 26059

Re: Binding Commitment Letter
Water System Project
Project 99W-499
Expiration Date: December 31, 2001

Dear Mr. Clifford:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") provides this binding offer of an Infrastructure Fund loan of approximately \$430,000 (the "Loan") to the Ohio County Public Service District (the "District") for the above referenced water project (the "Project"): The Loan will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan amount will be established based on the bids for the Project. The Infrastructure Council has set aside a portion of the bond proceeds currently deposited in the Infrastructure Fund to make this Loan upon the District's compliance with the program requirements. The Loan agreement will be between the District and the West Virginia Water Development Authority (the "Authority"), acting on behalf of the Infrastructure Council.

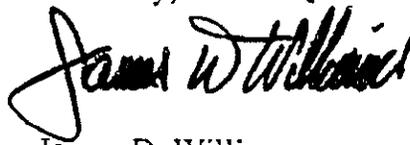
The Authority will enter into Loan agreement with the District following receipt of the completed Schedule B; a final, nonappealable order from the Public Service Commission authorizing construction of the Project; evidence of binding commitments for other funding; evidence of all permits; evidence of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

Edwin Clifford
May 8, 2001
Page 2

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

If the District has any questions regarding this commitment, please contact Katy Mallory at 304-558-4607.

Sincerely,



James D. Williams

JDW/km
Attachments

cc: Region X Planning & Development Council
Samme Gee, Esquire

NOTE: This letter is sent in triplicate. Please acknowledge receipt on two copies and immediately return one to the Authority at 180 Association Drive, Charleston, WV 25311-1571, and one to the Infrastructure Council.

Ohio County Public Service District

By: _____

Its: _____

Date: _____

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Ohio County Public Service District
Water Project
Project 99W-499
March 8, 2001

SCHEDULE A

- A. Approximate Amount: \$ 430,000 Loan
- B. Loan: \$ 430,000
1. Maturity Date: 20 years from date of closing.
 2. Interest Rate: 3%.
 3. Loan Advancement Date(s) At loan closing.
 4. Debt Service Commencement: The first quarter following loan closing.
 5. Special Conditions: None.

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

- C. Total Project Cost: \$ 430,000
- D. Binding Commitment Expiration: December 31, 2001

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 30th day of May, 2002, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned Chairman of Ohio County Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), of the Issuer, in the principal amount of \$528,000, numbered AR-1 (the "Series 2002 A Bonds"), issued as a single, fully registered Bond, and dated May 30, 2002.

2. At the time of such receipt, the Series 2002 A Bonds had been executed by the Chairman and the Secretary of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Series 2002 A Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2002 A Bonds, of the sum of \$528,000, being the principal amount of the Series 2002 A Bonds.

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By: Barbara B Meadows
Its: Authorized Representative

OHIO COUNTY PUBLIC SERVICE DISTRICT

By: James C. Boyd
Its: Chairman

05/13/02
670150.00001

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

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

Ladies and Gentlemen:

There are delivered to you herewith on this 30th day of May, 2002:

(1) Bond No. AR-1, constituting the entire original issue of Ohio County Public Service District Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), in the principal amount of \$528,000 (the "Series 2002 A Bonds"), dated May 30, 2002, executed by the Chairman and Secretary of Ohio County Public Service District (the "Issuer") and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on May 23, 2002, and a Supplemental Resolution duly adopted by the Issuer on May 23, 2002 (collectively, the "Bond Legislation");

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

(3) Executed counterparts of a loan agreement for the Series 2002 A Bonds, dated May 30, 2002, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (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 Series 2002 A Bonds to the Authority upon payment to the Issuer of the sum of \$528,000, representing the principal amount of the Series 2002 A 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 forms of Certificate of Authentication and Registration thereon.

Dated as of the day and year first written above.

OHIO COUNTY PUBLIC SERVICE DISTRICT

By: James C. Boyle Jr.
Its: Chairman

05/13/02
670150.00001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
OHIO COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BOND, SERIES 2002 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1

\$528,000

KNOW ALL MEN BY THESE PRESENTS: That OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Ohio, Brooke and Marshall Counties of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FIVE HUNDRED TWENTY-EIGHT THOUSAND DOLLARS (\$528,000), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2002, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference, with interest payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2002, at the rate per annum as set forth on Exhibit B attached hereto.

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

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and

conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated May 30, 2002.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public waterworks facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public waterworks facilities of the Issuer, the Project and any further improvements or extensions 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 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (the "Act"), a Bond Resolution duly adopted by the Issuer on May 23, 2002 and a Supplemental Resolution duly adopted by the Issuer on May 23, 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 ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL RESPECTS, WITH THE ISSUER'S WATER REVENUE AND REFUNDING BONDS, SERIES 1980, DATED MARCH 10, 1981, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$3,060,000; WATER REVENUE BOND, SERIES 1992 A, DATED FEBRUARY 7, 1992, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$284,000; WATER REVENUE BOND, SERIES 1992 B, DATED FEBRUARY 7, 1992, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$616,000; AND WATER REVENUE BOND, SERIES 1992 C, DATED FEBRUARY 7, 1992, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$191,000 (COLLECTIVELY, THE "PRIOR BONDS").

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, on a parity with the pledge of Net Revenues in favor of the holders of the Prior Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2002 A 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 shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon, except from said special fund provided from the Net Revenues, the monies in the Series 2002 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the

System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds; provided however, that so long as there exists in the Series 2002 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, including the Prior Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

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

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

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

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

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

of the State of West Virginia and that a sufficient amount of the 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 and interest on this Bond.

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

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT
has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto
affixed and attested by its Secretary, and has caused this Bond to be dated May 30, 2002.

[SEAL]


Chairman

SPECIMEN

ATTEST:


Secretary

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is the Series 2002 A Bond described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: May 30, 2002.

BRANCH BANKING AND TRUST
COMPANY, as Registrar


Authorized Officer

SPECIMEN

EXHIBIT B

Ohio County Public Service District (West Virginia)

Loan of \$430,000 and Loan of \$98,000
 20 Years from Closing Date, 3% Interest Rate
 Closing Date: May 30, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total Pmt
6/01/2002	-	-	-	-
9/01/2002	-	-	-	-
12/01/2002	4,922.25	3.000%	3,960.00	8,882.25
3/01/2003	4,959.17	3.000%	3,923.09	8,882.26
6/01/2003	4,996.36	3.000%	3,885.88	8,882.24
9/01/2003	5,033.83	3.000%	3,848.42	8,882.25
12/01/2003	5,071.59	3.000%	3,810.66	8,882.25
3/01/2004	5,109.63	3.000%	3,772.62	8,882.25
6/01/2004	5,147.95	3.000%	3,734.30	8,882.25
9/01/2004	5,186.56	3.000%	3,695.69	8,882.25
12/01/2004	5,225.46	3.000%	3,656.79	8,882.25
3/01/2005	5,264.65	3.000%	3,617.60	8,882.25
6/01/2005	5,304.13	3.000%	3,578.12	8,882.25
9/01/2005	5,343.91	3.000%	3,538.34	8,882.25
12/01/2005	5,383.99	3.000%	3,498.26	8,882.25
3/01/2006	5,424.37	3.000%	3,457.88	8,882.25
6/01/2006	5,465.06	3.000%	3,417.19	8,882.25
9/01/2006	5,506.04	3.000%	3,376.20	8,882.24
12/01/2006	5,547.34	3.000%	3,334.91	8,882.25
3/01/2007	5,588.94	3.000%	3,293.31	8,882.25
6/01/2007	5,630.86	3.000%	3,251.39	8,882.25
9/01/2007	5,673.09	3.000%	3,209.16	8,882.25
12/01/2007	5,715.64	3.000%	3,166.61	8,882.25
3/01/2008	5,758.50	3.000%	3,123.75	8,882.25
6/01/2008	5,801.69	3.000%	3,080.56	8,882.25
9/01/2008	5,845.21	3.000%	3,037.04	8,882.25
12/01/2008	5,889.04	3.000%	2,993.21	8,882.25
3/01/2009	5,933.21	3.000%	2,949.04	8,882.25
6/01/2009	5,977.71	3.000%	2,904.54	8,882.25
9/01/2009	6,022.55	3.000%	2,859.71	8,882.26
12/01/2009	6,067.71	3.000%	2,814.53	8,882.24
3/01/2010	6,113.22	3.000%	2,769.03	8,882.25
6/01/2010	6,159.07	3.000%	2,723.18	8,882.25
9/01/2010	6,205.26	3.000%	2,676.98	8,882.24
12/01/2010	6,251.80	3.000%	2,630.45	8,882.25
3/01/2011	6,298.70	3.000%	2,583.55	8,882.25
6/01/2011	6,345.93	3.000%	2,536.32	8,882.25
9/01/2011	6,393.53	3.000%	2,488.72	8,882.25
12/01/2011	6,441.48	3.000%	2,440.77	8,882.25
3/01/2012	6,489.79	3.000%	2,392.45	8,882.24
6/01/2012	6,538.47	3.000%	2,343.78	8,882.25
9/01/2012	6,587.50	3.000%	2,294.75	8,882.25
12/01/2012	6,636.91	3.000%	2,245.34	8,882.25
3/01/2013	6,686.69	3.000%	2,195.56	8,882.25
6/01/2013	6,736.84	3.000%	2,145.41	8,882.25
9/01/2013	6,787.37	3.000%	2,094.88	8,882.25
12/01/2013	6,838.26	3.000%	2,043.99	8,882.25

Ohio County Public Service District (West Virginia)

Loan of \$430,000 and Loan of \$98,000
 20 Years from Closing Date, 3% Interest Rate
 Closing Date: May 30, 2002

DEBT SERVICE SCHEDULE

Date	Principal	Rate	Interest	Total
3/01/2014	6,889.55	3.000%	1,992.70	8,882.25
6/01/2014	6,941.22	3.000%	1,941.03	8,882.25
9/01/2014	6,993.29	3.000%	1,888.96	8,882.25
12/01/2014	7,045.73	3.000%	1,836.52	8,882.25
3/01/2015	7,098.58	3.000%	1,783.67	8,882.25
6/01/2015	7,151.82	3.000%	1,730.43	8,882.25
9/01/2015	7,205.46	3.000%	1,676.79	8,882.25
12/01/2015	7,259.50	3.000%	1,622.75	8,882.25
3/01/2016	7,313.94	3.000%	1,568.31	8,882.25
6/01/2016	7,368.79	3.000%	1,513.46	8,882.25
9/01/2016	7,424.06	3.000%	1,458.19	8,882.25
12/01/2016	7,479.75	3.000%	1,402.50	8,882.25
3/01/2017	7,535.84	3.000%	1,346.41	8,882.25
6/01/2017	7,592.36	3.000%	1,289.89	8,882.25
9/01/2017	7,649.31	3.000%	1,232.94	8,882.25
12/01/2017	7,706.67	3.000%	1,175.57	8,882.24
3/01/2018	7,764.47	3.000%	1,117.78	8,882.25
6/01/2018	7,822.70	3.000%	1,059.55	8,882.25
9/01/2018	7,881.38	3.000%	1,000.87	8,882.25
12/01/2018	7,940.48	3.000%	941.77	8,882.25
3/01/2019	8,000.04	3.000%	882.21	8,882.25
6/01/2019	8,060.04	3.000%	822.21	8,882.25
9/01/2019	8,120.49	3.000%	761.76	8,882.25
12/01/2019	8,181.40	3.000%	700.85	8,882.25
3/01/2020	8,242.76	3.000%	639.49	8,882.25
6/01/2020	8,304.58	3.000%	577.67	8,882.25
9/01/2020	8,366.86	3.000%	515.39	8,882.25
12/01/2020	8,429.62	3.000%	452.64	8,882.26
3/01/2021	8,492.83	3.000%	389.42	8,882.25
6/01/2021	8,556.53	3.000%	325.72	8,882.25
9/01/2021	8,620.70	3.000%	261.54	8,882.24
12/01/2021	8,685.36	3.000%	196.89	8,882.25
3/01/2022	8,750.50	3.000%	131.75	8,882.25
6/01/2022	8,816.13	3.000%	66.12	8,882.25
Total	528,000.00	-	173,697.71	701,697.71

Ferris, Baker Watts
 West Virginia Public Finance Office

File = Ohio County Public Service District Loans.sf-IF 5-13-02 Revised
 5/13/2002 4:25 PM

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:

May 30, 2002

Ohio County Public Service District
Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

Ohio County Public Service District
Triadelphia, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Ohio County Public Service District (the "Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its \$528,000 Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a loan agreement, dated May 30, 2002, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal and interest to the Authority, bearing interest at the rate of three percent (3%) per annum, commencing December 1, 2002, through maturity, payable quarterly. The principal on the Bonds is payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2002 and maturing June 1, 2022, all as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public waterworks system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on May 23, 2002, as supplemented by a Supplemental Resolution duly adopted by the Issuer on May 23, 2002 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan Agreement has been entered into. The Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Bond Legislation and the Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan Agreement when used herein.

In connection with the issuance of the Bonds, the Issuer has executed a Certificate as to Arbitrage, dated as of the date hereof (the "Certificate as to Arbitrage"), which, among other things, sets forth restrictions on the investment and expenditure of the Bond proceeds and earnings thereon, to ensure that the arbitrage requirements of the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively, the "Code"), necessary to establish and maintain the excludability of interest on the Bonds from gross income for federal income tax purposes, are and will continue to be met.

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

1. The Issuer is a duly created and validly existing public service district, public 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 the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

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

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

4. The Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Prior Bonds, all in accordance with the terms of the Bonds and the Bond Legislation.

5. Under existing laws, regulations, rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds (a) is excludable from gross income of the owners thereof for federal income tax purposes pursuant to the Code and (b) is not an item of tax

preference for purposes of the federal alternative minimum tax imposed upon individuals and corporations under the Code. It should be noted, however, that interest on the Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Bond Legislation and the Certificate as to Arbitrage, and other certificates delivered in connection with the issuance of the Bonds. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are, under the Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

7. The Issuer's Water Revenue Bonds, Series B, dated August 1, 1970 (the "Series 1970 Bonds") have been paid within the meaning and with the effect expressed in the 1970 Ordinance, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 1970 Bonds have been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the certificate of the West Virginia Municipal Bond Commission relating to the sufficiency of the moneys on deposit in the Series 1970 Bonds Sinking Fund to provide for the payment of the principal of and interest on the Series 1970 Bonds and the redemption premium as determined by the Registered Owner of the Series 1970 Bonds.

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

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

Very truly yours,


STEPTOE & JOHNSON PLLC

BAILEY, RILEY, BUCH & HARMAN

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ARCH W. RILEY, OF COUNSEL

T. S. RILEY 1850-1936
JAMES B. RILEY 1894-1958
ROBERT J. RILEY 1899-1977
GEORGE G. BAILEY 1913-1989

May 30, 2002

Ohio County Public Service District
Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

Ohio County Public Service District
Triadelphia, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Steptoe & Johnson PLLC
Clarksburg, West Virginia

Ladies and Gentlemen:

We are counsel to Ohio County Public Service District, a public service district in Ohio, Brooke and Marshall Counties, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, relating to the above-captioned bonds of the Issuer (the "Bonds"), a loan agreement for the Bonds dated May 30, 2002 (the "Loan Agreement"), including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), the Bond Resolution duly adopted by the Issuer on May 23, 2002, as supplemented by the Supplemental Resolution duly adopted by the Issuer on May 23, 2002 (collectively, the "Bond Legislation"), orders of The County Commissions of Ohio, Brooke and Marshall Counties relating to the Issuer and the appointment of members of the Public Service Board of the Issuer, and other documents, papers, agreements, instruments and certificates relating to the Bonds and the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Legislation and the Loan Agreement when used herein.

BAILEY, RILEY, BUCH & HARMAN, L.C.

Ohio County Public Service District, et al.

May 30, 2002

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We are of the opinion that:

1. The Issuer is duly created, organized and validly existing as a public service district, public 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 the Bond Legislation, all under the Act and other applicable provisions of law.

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 members and officers of the Public Service Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

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

5. 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.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, 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, certificates and approvals from The County Commissions of Ohio, Brooke and Marshall Counties, the 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 adoption of a resolution prescribing such rates and charges. The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on October 23, 2000, as amended by the Commission Order entered on November 8, 2001, in Case No. 00-0652-PWD-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project

BAILEY, RILEY, BUCH & HARMAN, L.C.

Ohio County Public Service District, et al.
May 30, 2002
Page 3

and approving the financing for the Project for the System. The Issuer has also received the Commission Order of the Public Service Commission of West Virginia entered on October 2, 2001, in Case No. 01-0309-PWD-42T, approving the rates and charges for the Services of the System. The time for appeal of all such Orders has expired prior to the date hereof.

7. The Issuer has duly published a notice of the acquisition and construction of the Project, the issuance of the Bonds and related matters, as required under Chapter 16, Article 13A, Section 25 of the West Virginia Code of 1931, as amended, and has duly complied with the provisions thereof.

8. To the best of our knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the 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 of the Gross Revenues or pledge of the Net Revenues therefor.

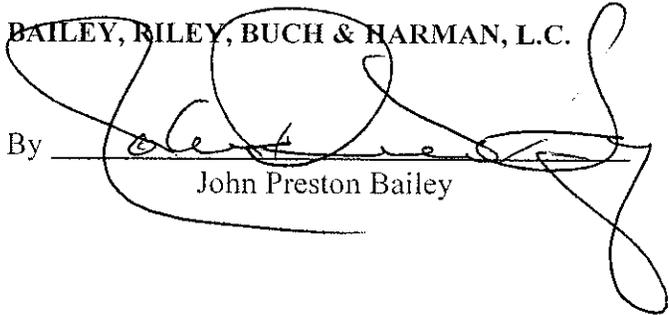
9. We have verified that all successful bidders have made required provisions for all insurance and payment and performance bonds and we have reviewed such insurance policies or binders and such bonds for accuracy. We have reviewed the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project and verified 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,

BAILEY, RILEY, BUCH & HARMAN, L.C.

By


John Preston Bailey

JPB:klb

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ARCH W. RILEY, OF COUNSEL

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JAMES B. RILEY 1894-1958
ROBERT J. RILEY 1899-1977
GEORGE G. BAILEY 1913-1989

May 23, 2002

Katy Mallory, Executive Secretary
West Virginia Infrastructure and
Jobs Development Council
300 Summers Street, Suite 980
Charleston, WV 25301

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

Steptoe & Johnson PLLC
Post Office Box 1588
Charleston, WV 25326

Re: Final Title Opinion for Ohio County Public Service District
Glenn's Run Pumping Station
Project No. 99W-499

Dear Ladies and Gentlemen:

This firm represents the Ohio County Public Service District with regard to the Glenn's Run Pumping Station Project (the "Project"), and provides this final title opinion on behalf of the Ohio County Public Service District to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council (the "Council") with regard to the Infrastructure Fund financing proposed for the Project. Please be advised of the following:

1. That I am of the opinion that the Ohio County Public Service District is a duly created and validly existing public service district possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia and has the full power and authority to construct, operate and maintain the Project as approved by the Bureau for Public Health and the Public Service Commission.

BAILEY, RILEY, BUCH & HARMAN, L.C.

West Virginia Infrastructure and Jobs Development Council
West Virginia Water Development Authority
Steptoe & Johnson, PLLC
May 23, 2002
Page 2

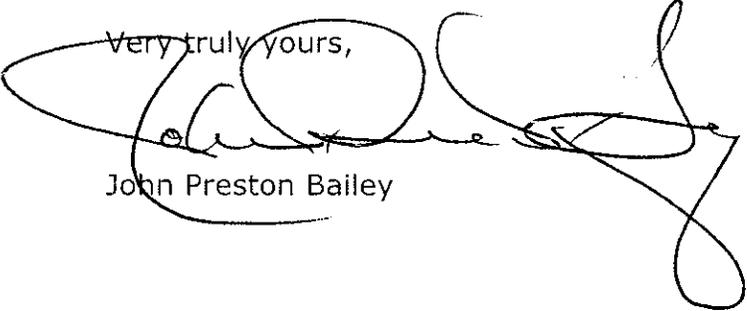
2. That the Ohio County Public Service District has obtained approval for all necessary permits and approvals for the construction of the Project.

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

4. That I have examined the records on file in the Office of the Clerk of the County Commission of Ohio County, West Virginia, the county in which the Project is located, and, in my opinion, the Ohio County Public Service District has acquired legal title or such other estate or interest in the necessary site components for the Project sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the facilities to be constructed.

5. That all deeds or other documents which have been acquired by the Ohio County Public Service District have been duly recorded in the aforesaid Clerk's Office in order to protect the legal title to and interest of the Ohio County Public Service District.

Very truly yours,


John Preston Bailey

. \jpb:klb

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. LOAN AGREEMENT
11. RATES
12. PUBLIC SERVICE COMMISSION ORDER
13. SIGNATURES AND DELIVERY
14. BOND PROCEEDS
15. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING
16. SPECIMEN BOND
17. CONFLICT OF INTEREST
18. GRANTS
19. PROCUREMENT OF ENGINEERING SERVICES
20. EXECUTION OF COUNTERPARTS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Ohio County Public Service District in Ohio, Brooke and Marshall Counties, West Virginia (the "Issuer"), and the undersigned COUNSEL to the Issuer, hereby certify in connection with the Issuer's Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), all dated the date hereof (the "Bonds" or the "Series 2002 A Bonds"), as follows:

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

Resolution of the Issuer duly adopted May 23, 2002, and the Supplemental Resolution duly adopted May 23, 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 Grant proceeds or the Net Revenues, or in any way contesting or affecting the validity of the Bonds or the Grants, 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 pledge or application of moneys and security or the collection of the Gross Revenues or the pledge of the Net Revenues as security for the Bonds.

3. **GOVERNMENTAL APPROVALS AND BIDDING:** All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project 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 will provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are outstanding obligations of the Issuer which will rank on a parity with the Series 2002 A Bonds as to liens, pledge, source of and security for payment, being the Water Revenue and Refunding Bonds, Series 1980, dated March 10, 1981, issued in the aggregate principal amount of \$3,060,000 (the "Series 1980 Bonds"), the Water Revenue Bond, Series 1992 A, dated February 7, 1992, issued in the aggregate principal amount of \$284,000 (the "Series 1992 A Bonds"), the Water Revenue Bond, Series 1992 B, dated February 7, 1992, issued in the aggregate principal amount of \$616,000 (the "Series 1992 B Bonds") and the Water Revenue Bond, Series 1992 C, dated February 7, 1992, issued in the aggregate principal amount of \$191,000 (the "Series 1992 C Bonds") (collectively, the "Prior Bonds"). The Issuer has obtained (i) a certificate of an Independent Certified Public Accountant stating that the coverage and parity tests of the Prior Bonds have been met and (ii) the written consent of the Holders of the Prior Bonds to the issuance of the Series 2002 A Bonds on a parity with the Prior Bonds. Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the

System. The Issuer is in compliance with all the covenants of the Prior Bonds and the Prior Resolution.

The Issuer has paid in full and discharged its Water Revenue Bonds, Series B, dated August 1, 1970 (the "1970 Bonds"), on or about February 1, 2002. Therefore the lien position of the Series 1992 A Bonds, Series 1992 B Bonds and Series 1992 C Bonds has been upgraded from a second lien position to a first lien position all on a parity with the Series 1980 Bonds and the Series 2002 A Bonds.

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, supplemented or changed in any way unless modification appears from later documents also listed below:

Bond Resolution

Supplemental Resolution

Loan Agreement

Public Service Commission Order

Infrastructure and Jobs Development Council Approval

County Commission Orders on the Creation and Enlargement of District

County Commission Orders Appointing Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Affidavit of Publication on Borrowing

Minutes of Current Year Organizational Meeting

Minutes on Adoption of Bond Resolution and Supplemental Resolution
and Affidavit of Publication on Notice of Meeting
Prior Bonds Resolutions

- a) 1980 (USDA) Bond Resolution
- b) 1992 (USDA) Bond Resolution

USDA Consent to Issuance of Parity Bonds

Environmental Health Services Permit

Evidence of Payment in Full of Series 1970 Bonds

- A) Water Supply Contract with The City of Wheeling, as amended
- B) Agreement with Village of Valley Grove, as amended
- C) Agreement with Hammond Public Service District
- D) Agreement with Township of West Finley
- E) Agreement with Town of Triadelphia
- F) Agreement with West Alexander Borough Municipal Authority

Evidence of Insurance

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Ohio County Public Service District." The Issuer is a public service district and public corporation duly created by The County Commission of Ohio, Brooke and Marshall Counties and presently existing under the laws of, and a public corporation and political subdivision of, the State of West Virginia. The governing body of the Issuer is its Public Service Board consisting of 3 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

<u>Name</u>	<u>Date of Commencement of Office</u>	<u>Date of Termination of Office</u>
James C. Boyd, Jr.	January 15, 1997	January 15, 2003
Robert R. Luchetti	January 3, 2001	November 1, 2006
Daniel Dickinson, Jr.	January 6, 1999	November 1, 2004

The names of the duly elected and/or appointed, qualified and acting officers of the Public Service Board of the Issuer for the calendar year 2002 are as follows:

Chairman	-	James C. Boyd, Jr.
Secretary/Treasurer	-	Daniel Dickinson, Jr.
Vice Chairman	-	Robert R. Luchetti

The duly appointed and acting counsel to the Issuer is Bailey, Riley, Buch & Harman LC, in Wheeling, West Virginia.

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

8. **MEETINGS, ETC.:** All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to 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 will be 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 date of the Loan Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Loan Agreement not misleading; and (iv) the Issuer is in compliance with all covenants, terms and representations in the Loan Agreement.

11. RATES: The Issuer has received the Commission Order of the Public Service Commission of West Virginia entered on October 2, 2001, in Case No. 01-0309-PWD-42T, approving the rates and charges for the services of the System, and has adopted a resolution prescribing such rates and charges. The time for appeal of such Commission Order has expired prior to the date hereof without any appeal.

12. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Final Order of the Public Service Commission of West Virginia entered on October 23, 2000, as amended by the Commission Order entered November 8, 2001, in Case No. 00-0652-PWD-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the financing for the acquisition and construction of the Project. The time for appeal of such Orders has expired prior to the date hereof without any appeal having been filed.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, numbered AR-1, dated the date hereof, by his or her manual signature, and the undersigned Secretary 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 is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof, the Issuer received the sum of \$528,000 from the Authority and the Council being the principal amount of the Series 2002 A Bonds.

15. PUBLICATION OF NOTICE OF BORROWING AND PSC FILING: The Issuer has published any required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, the issuance of the Bonds and filing of a formal application for a certificate of public convenience and necessity with the Public Service Commission of West Virginia, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended.

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

17. CONFLICT OF INTEREST: No member, officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond Legislation and/or the Project, including, without limitation, with respect

to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

18. GRANTS: There are no grants associated with this Project.

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.

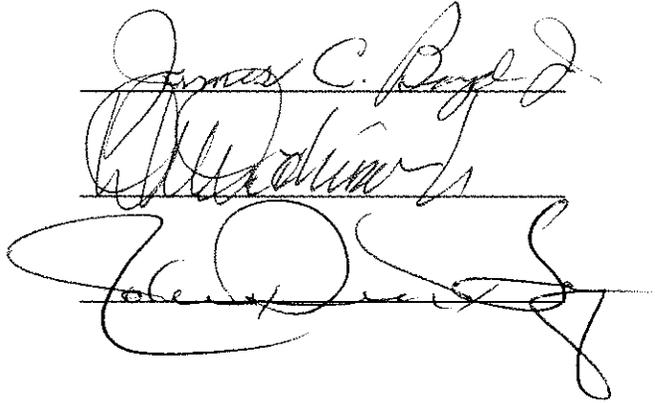
20. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

WITNESS our signatures and the official seal of OHIO COUNTY PUBLIC SERVICE DISTRICT on this 30th day of May, 2002.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE



The image shows three handwritten signatures, each written over a horizontal line. The top signature is clearly legible as 'James C. Boyd'. The middle signature is more stylized and difficult to read. The bottom signature is also highly stylized and illegible.

Chairman

Secretary

Counsel to Issuer

05/17/02
670150.00001

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Morgan K. Coast, Registered Professional Engineer, West Virginia License No. 8261, of Vaughn, Coast & Vaughn, Inc., St. Clairsville, Ohio, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments, improvements and extensions, (the "Project") to the existing public waterworks system (the "System") of Ohio County Public Service District (the "Issuer") to be constructed primarily in Ohio County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on May 23, 2002, as supplemented by the Supplemental Resolution adopted by the Issuer on May 23, 2002, and the Loan Agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated May 30, 2002 (the "Loan Agreement").

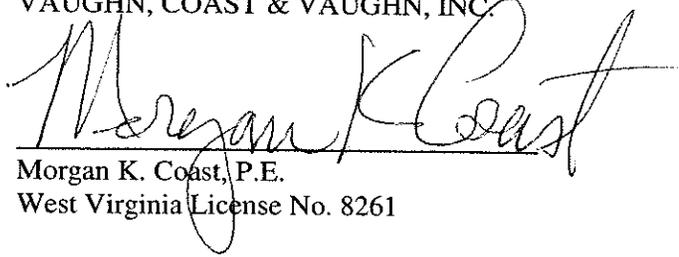
2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project has been constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Council, and any change orders approved by the Council, the Issuer and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least forty years, if properly constructed, operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and the Issuer's counsel, Bailey, Riley, Buch & Harman LC, will, prior to the Issuer executing the construction contracts for the Project, ascertain that all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the West Virginia Bureau for Public Health (the "BPH") and the bid forms provided to the bidders contained the critical operational components of the Project; (vi) the successful bids included prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the

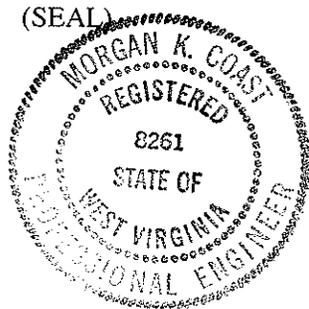
United States necessary for the acquisition and construction of the Project and the operation of the System; (ix) in reliance upon the certificate of the Issuer's certified public accountant, Glatz, Obecny & Company, PLLC, Certified Public Accountants, as of the effective date thereof, the rates and charges for the System as adopted by the Issuer and approved by the Public Service Commission of West Virginia 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 Authority and the Council; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

WITNESS my signature and seal on this 30th day of May, 2002.

VAUGHN, COAST & VAUGHN, INC.



Morgan K. Coast, P.E.
West Virginia License No. 8261



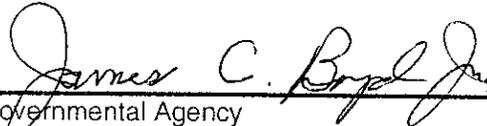
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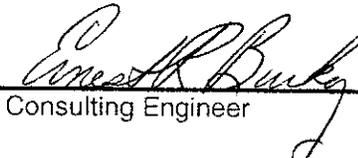
WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL
 Schedule B
 Revised 5/17/02

OHIO COUNTY PUBLIC SERVICE DISTRICT
 GLENN'S RUN PUMPING STATION

FINAL TOTAL COST OF PROJECT: SOURCES OF FUNDS AND COST OF FINANCING

A Cost of Project		Total *	IJDC **	OCPSD
1	Construction	\$491,101	\$490,000	\$1,101
	a			
	b			
	c			
	d			
2	Engineering Fees	42,178	37,000	5,178
3	Legal	361		361
4	Administrative	2,602	1,000	1,602
5	Site and Other Lands	3,000		3,000
6	Interest (Interim Financing)	20,185		20,185
7	Total Lines 1 thru 6	\$559,427	\$528,000	\$31,427
B Source of Funds				
8	Local			\$31,427
9	Net Proceeds Required from Bond Issue (Line 7 minus Line 8)		\$528,000	
C Cost of Financing				
10	Other Costs			
	a Bond Counsel			10,000
	b Funding Reserve			35,529
	c Registrar			250
11	Total Cost of Financing (Line 10a thru 10c)			
12	Size of Bond Issue (Line 9 plus Line 11)		\$528,000	\$77,206


 Governmental Agency


 Consulting Engineer

Date: 5/23/02

Date: May 17, 2002

* Construction and Engineering Costs based on Engineer's Project Records;
 Legal, administrative, site and interim financing costs were provided by others.

** IJDC costs per IJDC Preliminary Application (8/01)

C. Costs of Financing provided by Bond Counsel.

Glatz & Obecny, PLLC

Certified Public Accountants

Suite 400, Central Union Building
40 Fourteenth Street
Wheeling, WV 26003

Telephone (304) 232-1358
Fax (304) 232-1361

May 30, 2002

Ohio County Public Service District
Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

Ohio County Public Service District
Triadelphia, West Virginia

United States Department of Agriculture
Morgantown, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the water rates and charges set forth in the Commission Order of the Public Service Commission of West Virginia in Case No. 01-0309-PWD-42T, entered October 2, 2001, and projected operation and maintenance expenses and anticipated customer usage as furnished to me by Ohio County Public Service District (the "Issuer"), it is my opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the waterworks system (the "System") of the Issuer, will 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 Issuer's Water Revenue Bonds, Series 2002A (West Virginia Infrastructure Fund) (the "Bonds"), and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds, including the Prior Bonds.

It is further my opinion that based upon the projected operation and maintenance expenses and anticipated customer usage as furnished to me by Ohio County Public Service District (the "Issuer"), the Net Revenues for the fiscal year following the year in which the Bonds are to be issued will be at least 120% of the average annual debt service requirement on the

Page Two
May 30, 2002

Bonds and the Prior Bonds. However, because events and circumstances frequently do not occur as expected, there will usually be differences between projected and/or anticipated results and actual results. All capitalized terms used herein and not defined herein shall have the same meaning as set forth in the Bond Resolution authorizing the Bonds.

Very truly yours,



GLATZ AND OBECNY, PLLC

TPO/jem

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO ARBITRAGE

The undersigned Chairman of the Public Service Board of Ohio County Public Service District in Ohio County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$528,000 in aggregate principal amount of Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), of the Issuer, dated May 30, 2002 (the "Bonds" or the "Series 2002 A Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (the "Code"). I am one of the officers of the Issuer duly charged with the responsibility of issuing the Bonds. I am familiar with the facts, circumstances and estimates herein certified and am duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meaning as set forth in the Bond Resolution duly adopted by the Issuer on May 23, 2002, as supplemented (the "Bond Resolution"), authorizing the Bonds.

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

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

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on May 30, 2002, the date on which the Bonds are to be physically delivered in exchange for the purchase price of the Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. In the Bond Resolution pursuant to which the Bonds are issued, the Issuer has covenanted that (i) it shall not take, or permit or suffer to be taken, any action with

respect to the gross or other proceeds of the Bonds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and (ii) it will take all actions that may be required of it (including, without implied limitation, the timely filing of a federal information return with respect to the Bonds) so that the interest on the Bonds will be and remain excluded from gross income for federal income tax purposes, and will not take any actions which would adversely affect such exclusion. The Issuer has, therefore, covenanted to not intentionally use any portion of the proceeds of the Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as otherwise allowed under Sections 103 and 148 of the Code.

6. The Series 2002 A Bonds were sold on May 30, 2002, to the West Virginia Water Development Authority (the "Authority") pursuant to a loan agreement dated May 30, 2002, by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), for an aggregate purchase price of \$528,000 (100% of par value). There was no accrued interest.

7. The Series 2002 A Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of (i) permanently financing a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public waterworks facilities of the Issuer (the "Project"); and (ii) paying costs of issuance of the Bonds and related costs.

8. 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 July 4, 2002, except as otherwise required for rebate to the United States under Section 148(f) of the Code. Acquisition and construction of the Project is completed.

9. The total cost of the Project (including all costs of issuance of the Bonds) is complete at \$605,206. Sources and uses of funds for the Project are as follows:

SOURCES

Gross Proceeds of the Series 2002 A Bonds	\$528,000
Issuer's Contribution	\$ 77,206
Total Sources	<u>\$605,206</u>

USES

Acquisition and Construction of Project	\$ 559,427
Costs of Issuance	\$ 10,250
Funding Reserve Account	\$ <u>35,529</u>
 Total Uses	 <u>\$ 605,206</u>

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

10. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2002 A Bonds Construction Trust Fund;
- (4) Rebate Fund;
- (5) Series 2002 A Bonds Sinking Fund; and
- (6) Series 2002 A Bonds Reserve Account.

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

- A. The Issuer received all of the monies derived from the sale of the Series 2002 A Bonds, which such monies shall be deposited with the Depository Bank in the Series 2002 A Bonds Construction Trust Fund and applied solely to payment of costs of the Project as set forth in the Bond Resolution.

Amounts in the Series 2002 A Bonds Construction Trust Fund, if invested, will be invested at the yield directed by the Authority and the Council.

12. Monies held in the Series 2002 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2002 A Bonds, and will not be available to meet costs of acquisition and construction of the Project. Except to the extent transferred to the Rebate Fund at the request of the Issuer, all investment earnings on monies in the Series 2002 A Bonds Sinking Fund and the Series 2002 A Bonds Reserve Account will be withdrawn therefrom, not less than once each year, and following completion of construction of the Project, will be deposited in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

13. Except for the Series 2002 A Bonds Sinking Fund and the Series 2002 A Bonds Reserve Account there are no other funds or accounts established or held by the Issuer which are reasonably expected to be used to pay debt service on the Series 2002 A Bonds, or which are pledged as collateral for the Series 2002 A Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Series 2002 A Bonds, if the Issuer encounters financial difficulties. The Issuer does not expect that monies in the Renewal and Replacement Fund will be used or needed for payments upon the Series 2002 A Bonds, and because such amounts may be expended for other purposes, there is no reasonable assurance that such amounts would be available to meet debt service if the Issuer encounters financial difficulties; thus, such amounts may be invested without yield limitation. Except as provided herein, no funds which have been or will be used to acquire directly or indirectly securities, obligations, annuity contracts, investment-type property or 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 desegregation plan or other investment property producing a yield in excess of the yield on the Series 2002 A Bonds, have been or will be pledged to payment of the Series 2002 A Bonds.

If funded from proceeds of the Series 2002 A Bonds, less than 10% of the proceeds of the Series 2002 A Bonds will be deposited in the Series 2002 A Bonds Reserve Account and or any other reserve or replacement fund. The amounts deposited in the Series 2002 A Bonds Reserve Account from time to time by the Issuer will not exceed the maximum annual principal and interest on the Series 2002 A Bonds. The establishment of the Series 2002 A Bonds Reserve Account is required by the Authority, is vital to its purchase of the Series 2002 A Bonds, and is reasonably required to assure payments of debt service on the Series 2002 A Bonds.

14. Acquisition and construction of the Project is complete.
15. The Issuer will comply with the provisions of the Code, for which the effective date precedes the date of delivery of its Bonds to the Authority.
16. With the exception of the amount deposited in Series 2002 A Bonds Reserve Account, if funded from the proceeds of the Series 2002 A Bonds, all of the proceeds of the Bonds will be expended on the Project within 1 month from the date of issuance thereof.
17. The Series 2002 A Bonds Sinking Fund (other than the Series 2002 A Bonds Reserve Account therein) is intended primarily to achieve a proper matching of payments of debt service on the Series 2002 A Bonds each year. The Series 2002 A Bonds Sinking Fund (other than the Series 2002 A Bonds Reserve Account therein) will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of 1/12th of annual debt service on the Series 2002 A Bonds, or 1 year's interest earnings on the Series 2002 A Bonds Sinking Fund (other than the Series 2002 A Bonds Reserve Account therein). Except as otherwise allowed, any money deposited in the Series 2002 A Bonds Sinking Fund for payment of the principal of or interest on the Series 2002 A Bonds (other than the Series 2002 A Bonds Reserve Account therein), will be spent within a 13-month period beginning on the date of receipt and will be invested without yield limitation, and any monies received from the investment of amounts held in the Series 2002 A Bonds Sinking Fund (other than in the Series 2002 A Bonds Reserve Account therein) will be spent within a 1-year period beginning on the date of receipt.
18. All proceeds of the Bonds which will be used for the payment of costs of the Project will be expended for such purposes by July, 2002.
19. The amount designated as cost of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.
20. All property financed with the proceeds of the Bonds will be held for federal income tax purposes by (or on behalf of) a qualified governmental unit.
21. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service Center, Ogden, Utah 84201.
22. No more than 10% of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, and less than 5% of the proceeds of Bonds or \$5,000,000 have been or will be used to make or finance loans to, any person who is not a governmental unit.

23. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue, except to the extent any such proceeds are required for rebate to the United States.

24. 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.

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

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

27. The Issuer will rebate to the United States the amount, if any, required by the Code and take all steps necessary to make such rebates. In the event the Issuer fails to make such rebates as required, the Issuer shall pay the required rebate amount and any and all penalties and other amounts from lawfully available sources, and obtain a waiver from the Internal Revenue Service, if necessary, in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

28. The Issuer has retained the right to amend the Bond Resolution authorizing the issuance of the Bonds if such amendment is necessary to assure compliance with Section 148(f) of the Code or as may otherwise be necessary to assure the exclusion of interest on the Bonds from the gross income for federal income tax purposes of interest on the Bonds.

29. The Issuer shall comply with the yield restriction on Bond proceeds as set forth in the Code.

30. The Issuer has funded from the Issuer's contribution, the Series 2002 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due on the Series 2002 A Bonds in the then current or any succeeding year. Monies in the Series 2002 A Bonds Reserve Account and the Series 2002 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2002 A Bonds and will not be available to pay costs of the Project.

31. The Issuer shall submit to the Authority within 15 days following the end of each bond year or every five years, a certified copy of its rebate calculation and a certificate with respect thereto or, if the Issuer qualifies for the small governmental issuer exception to rebate, or any other exception thereto, then the Issuer shall submit to the Authority a certificate stating that it is exempt from the rebate provisions and that no event has occurred to its knowledge during the bond year which would make the Bonds subject to rebate.

32. The Issuer expects that no part of the Project financed by the Bonds will be sold or otherwise disposed of prior to the last maturity date of the Bonds.

33. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and the interest thereon. In addition, the Issuer has covenanted to comply with all Regulations from time to time in effect and applicable to the Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and has covenanted to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of the Resolutions authorizing issuance of the Bonds.

The Issuer has further covenanted to calculate, annually, the rebatable arbitrage, determined in accordance with Section 148(f) of the Code. Upon completion of each such annual calculation, unless otherwise agreed by the Authority, the Issuer shall deposit, or cause to be deposited, in the Rebate Fund such sums as are necessary to cause the aggregate amount on deposit in the Rebate Fund to equal the sum determined to be subject to rebate to the United States, which shall be paid from investment earnings on the underlying fund or account established hereunder and on which such rebatable arbitrage was earned or from other lawfully available sources. The Issuer has further covenanted to pay, or cause to be paid, to the United States, from the Rebate Fund, the rebatable arbitrage in accordance with Section 148(f) of the Code and such Regulations. The Issuer shall remit payments to the United States in the time and at the address prescribed by the Regulations as the same may be from time to time in effect with such reports and statements as may be prescribed by such Regulations. In the event that, for any reason, amounts in the Rebate Fund are insufficient to make the payments to the United States which are required, the Issuer shall assure that such payments are made by the Issuer to the United States, on a timely basis, from any funds lawfully available therefor.

34. The Bonds are a fixed yield issue. No interest or other amount payable on the Bonds (other than in the event of an unanticipated contingency) is determined by reference to (or by reference to an index that reflects) market interest rates or stock or commodity prices after the date of issue.

35. No portion of the proceeds of the Bonds will be used, directly or indirectly, to replace funds which were used, directly or indirectly, to acquire higher yielding investments, all within the meaning of Section 148 of the Code.

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

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

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

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

40. 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.

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

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

WITNESS my signature on this 30th day of May, 2002.

OHIO COUNTY PUBLIC SERVICE DISTRICT


Chairman

05/20/02
670150.00001

OCTOBER 15, 1958 - WEDNESDAY

The Board of Commissioners of the County of Ohio met at the Court House at 9:30 A.M.

Present: President Edward F. McKee, Commissioners Hal T. Kain and Albert L. Kress.

The following bills were examined, approved and ordered paid:

GENERAL COUNTY FUND

State Compensation Commissioner \$341.70 Ins. - Coop.

PUBLIC IMPROVEMENT FUND

State Compensation Commissioner	85.42	Ins.-Coop.	-Const.	\$28.48
			Oper.	42.70
			M.Funds	14.21

In regard to an Air Show which is being planned under the auspices of the Windsor Heights Volunteer Fire Department in conjunction with John E. Morgan of the National Air Shows, the following correspondence was presented to the Board:

WEST VIRGINIA
STATE AERONAUTICS COMMISSION
Charleston 5
October 9, 1958

Mr. J. E. Morgan
c/o McClure Hotel
Wheeling, W. Va.

Dear Mr. Morgan:

In regard to your telephone call on October 9, 1958, this is your authority to proceed with an air show at Wheeling-Ohio County Airport, Wheeling, West Virginia on Sunday October 19, 1958.

All exhibitions for the show will be held in accordance with CAA Regulations and also Part 2, Regulations of the W. Va. State Aeronautics Commission - Section 10, Air Shows, a copy of which is enclosed.

We are particularly interested in the policing of the airport and in seeing that the crowd is strictly prohibited from entering the roped-off areas where the show is taking place.

Very truly yours,
W. VA. STATE AERONAUTICS COMMISSION
By /s/ G. W. Hart, Director

GWH:abc
Enclosure (1)

The following telegrams were received in regard to the insurance coverage for the Air Show:

WESTERN UNION

Telegram
CT YB026 PD=FAX WASHINGTON DC 14 2L 8PM E= 1958 Oct 14 PM 4 00
J E MORGAN= DLR Windsor Hotel immediately

CARE OHIO COUNTY AIRPORT WHEELING WVIR=
POLICY AR2-01700 BEING ISSUED TO COVER CIVIL AIR PATROL, WINDSOR HEIGHTS FIRE DEPT. & OHIO COUNTY COMA. WITH RESPECT TO AIRCRAFT ON EITHER 10-19-58 OR RAIN DATE 10-26-58 FOR LIMITS OF BI \$50,000/250,000 & PD \$100,000. PREA. \$355.20 TO BE PAID PRIOR TO 10-19 TO EFFECT COV. CERTIFICATE BEING MAILED TOMORROW=

J P WARREN JR. A M E R I C O=
AR2-017000 10-19-58 10-26-58 BI \$50,000/250,000 \$100,000

WESTERN UNION

Telegram
CT WA177 RX PD=FAX WASHINGTON DC 17 1123 AM E=
J E MORGAN=
CARE OHIO COUNTY AIRPORT WHEELING WVIR=

COV. BOUND EFF. 10/19/58 FROM SUNRISE TO SUNSET OR 10/26/58 SUNRISE TO SUNSET FOR CIVIL AIR PATROL, WINDSOR HEIGHTS FIRE DEPT. & OHIO COUNTY COMMISSIONERS FOR THE FOLLOWING:

AIRPT. B.I. \$50,000. EACH PERSON /\$250,000 EA. ACC.
AIRPT. P.D. \$100,000. EACH ACCIDENT.
CERTIFICATES OF INSURANCE SENT 10/16/58=

J P WARREN JR A M E R I C O=
= 10/19/58 10/26/58 \$50,000 \$250,000 \$100,000 10/16/58

The Board after receiving the aforementioned information on the 15th day of October, entered into an Agreement signed by the Windsor Heights Volunteer Fire Department and John E. Morgan of the National Air Shows. Said Agreement was to govern the conducting of the Air show which was to be held at the Wheeling-Ohio County Airport, and Agreement is listed below:

AIR SHOW LEASE

THIS AGREEMENT, made the 15th day of October 1958 between THE BOARD OF COMMISSIONERS OF THE COUNTY OF OHIO, a corporation, hereinafter called the Lessor, party of the first part, proprietor of the Wheeling-Ohio County Airport hereinafter called the Airport, party of the second part, and Windsor Heights Volunteer Fire Department, Inc., a corporation, and John E. Morgan, A. C. A. National Air Shows, hereinafter called Lessees,

WITNESSETH: That in consideration of the sum of one dollar (\$1.00), cash in hand paid, the receipt of which is hereby acknowledged, the Lessor does demise, lease and let the Airport (with the exceptions hereinafter stated) unto the Lessees, for the sole and only purpose of conducting thereat a one-day air show.

TERA: This lease shall be for a period of twenty-three (23) hours and fifty (50) minutes, beginning at the hour of 12:05 A.M. on the 19th day of October 1958 and ending at the hour of 11:55 P.M. of said day, provided that if, because of inclement weather or any other cause, the contemplated air show should not be held on said 19th day of October 1958, this lease shall, in lieu of said period, cover a similar period on the 26th day of October 1958.

EXCEPTIONS TO PROPERTY DEMISED: There is excepted from the demised premises the following portions thereof: (1) All interior portions of the Administration Building, and all other structures now standing upon the demised premises; (2) The property of Ohio Valley Aviation, Inc., and all land and structures owned and/or operated and/or controlled by it; (3) All runways and taxiways and aprons of the Airport, except that the Lessee may use the same jointly with other users thereof so long as the use by the Lessee does not interfere with commercial flights into and out of the Airport and does not interfere with the use of the same for other ordinary and normal airport purposes, and the operations of said Ohio Valley Aviation, Inc.

ADMISSION: During the term of this lease the Lessees shall have the right to make a charge for admission to the demised premises except of the following persons: (1) Persons employed in any capacity thereat; (2) Passengers and prospective and retrospective passengers of airlines operating into and out of the Airport, and persons associated with or accompanying such passengers; (3) Persons owning private aircraft stored upon or temporarily using the Airport, and their agents; (4) Persons transporting passengers, prospective passengers, retrospective passengers, parcels or freight into or away from the Airport; (5) The members of The Board of Commissioners of the County of Ohio and their agents and employees; (6) Any other person

whosoever desiring to go upon the Airport for the purpose of transacting any business thereon or thereat which is not connected with the conduct of an air show.

CONCESSIONS: The Lessor reserves the right to control and to grant all concessions during the term of this lease for the sale of beverages, foodstuffs, souvenirs and the like, and to receive for its own use all fees charged therefor, within 100 feet of the Administration Building.

INSURANCE: The Lessees shall not operate an air show upon or at the Airport until and unless he shall procure insurance written by a solvent insurer satisfactory to the Lessor agreeing to pay all sums which the Lessees and/or any person, natural or artificial, operating any aircraft as a part of such air show, shall become obliged to pay by reason of the liability imposed upon it or him or them, or any of them, by law for a damages, including damages for care and loss of service, because of bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by any person or persons, caused by accident and arising out of the operations of any aircraft in such air show or by reason of any other operation of the Lessees upon the demised premises or elsewhere in connection with such air show, up to Fifty Thousand Dollars (\$50,000.00) for each person so injured, and Two-Hundred Fifty-Thousand Dollars (\$250,000.00) for each accident, and to pay on behalf of the Lessees and/or any person, natural or artificial, operating any aircraft as a part of such air show, all sums which it, he or they or any of them shall become obligated to pay by reason of the liability imposed upon it, him or them, or any of them, by law for a damages because of injury to or destruction of property, including the property of the Lessor, and including the loss of use thereof, caused by accident and arising out of or by reason of the operation of such air show and all operations either on the premises or elsewhere which are necessary, usual and incidental thereto, up to the limit of not less than One Hundred Thousand Dollars (\$100,000.00) for each accident.

INDEMNITY: The Lessees agree to defend at its, his or their own expense, any and all actions at law and/or suits in equity which may be instituted against the Lessor in any court by reason of any cause occasioned by or attributable to such Air Show, and further to indemnify the Lessor and save it harmless from any loss, expense or damage in connection therewith.

CONDUCT OF AIR SHOW: Said air show shall be conducted in such a manner as to constitute no interference with or hazard to commercial passenger or freight-carrying planes operating on schedule or unscheduled flights into and out of the Airport, and so as to avoid collision with or damage to any aircraft or other vehicle properly using the Airport, and so as to avoid injuring or killing any person thereon or in the vicinity thereof, or elsewhere.

CLEAN-UP: The Lessees agree that at the conclusion of the term of this lease they will remove from the demised premises all vehicles and structures brought or placed thereon in connection with the air show, and

will also remove from the demised premises any and all debris, litter and other foreign substances brought thereon by any person whatsoever as a result of the air show, and to restore the Airport, in general, substantially to the same condition as that existing at the beginning of the term of this lease.

IN WITNESS WHEREOF the Lessor has caused its name to be signed and its corporate seal to be affixed hereto by proper authority duly given, and the Lessees have signed this Agreement, all as of the date first herein written.

THE BOARD OF COMMISSIONERS OF THE COUNTY OF OHIO, Lessor

(S E A L)

By /s/ Edward F. McKee
President

Attest:

Windsor Heights Volunteer Fire Dept.

By Joseph Larase, Recording Secty.
Title

Attest:

Robert Stark

John E. Morgan

By A.C.A. National Air Shows

Attest:

The following Certificate of Insurance was received in regard to aforementioned Air Show:

AMERICAN MERCURY INSURANCE COMPANY
4420 Connecticut Ave., N. W.
Washington 8, D. C.

Descriptive Schedule

Date October 16, 1958

Named Insured : CIVIL AIR PATROL, Windsor Heights Fire Dept. & Ohio County
Address of Insured: OHIO COUNTY AIRPORT, Wheeling, W. Va. /Commissioners
Location covered : OHIO COUNTY AIRPORT, WHEELING, W. Va.
Policy number : AR2-017000
Effective Date : October 19, 1958 or October 26, 1958 (One Day Only)

KIND OF INSURANCE

Airport Liability:

Bodily Injury \$ 50,000. each person
250,000. each accident
Property Damage \$ 100,000. each accident

This certificate is issued to: CIVIL AIR PATROL, WINDSOR HEIGHTS FIRE DEPT., & OHIO COUNTY COMMISSIONERS whose address is c/o OHIO COUNTY AIRPORT, WHEELING, WEST VIRGINIA

1-E. S. Marshall
1-File
Encl: Endt. #2 (Aircraft Liability Endorsement)

AMERICAN MERCURY INSURANCE COMPANY

By /s/ N. McNealy
Authorized Representative

Although the dates on the above correspondence are different than today's recordation, the Board instructed the Clerk to spread in its entirety all the angles and different procedures the Board had to investigate in this particular section of the minutes, in order to give consent to conduct the Air Show. This is the reason all this correspondence was kept together.

The following Certificate of Inspection was received:

W-6686-W STATE OF WEST VIRGINIA 1535
State Serial Number Department of Labor Certificate Number

ANNUAL CERTIFICATE OF STEAM BOILER INSPECTION

Lookout 23290 26227 1
Manufacturer National Board Number A.S.A.C. Number Owner's Number
Date of Issuance October 11, 1958

Issued to Ohio County Board of Commissioner

Location of Boiler Slaughter House, County Farm, Roney's Point, W. Va.

V. T. 100-Pounds 6.1 1950
Type Pressure Allowed Factor of Safety Year Built

Fuel-Gas
Boiler Internally Inspected by J. A. Zwolensky of London Guarantee & Accident Company, Ltd.

This is to Certify That the herein described Steam Boiler may be operated at a pressure not to exceed that shown above and only at the location specified herein, for One Year from Date, unless sooner withdrawn for cause.

H. Richard Kennell
Commissioner of Labor

The Clerk was instructed to record the above in these minutes, and forward the Certificate to Superintendent Newell West, of County Home & Farm.

The Clerk reported receiving copy of letter addressed to Mr. George P. Hansen, Chairman of Ohio County Civil Defense Advisory Council. Said correspondence revealed the resignation of C. H. Draher, who has been Acting Director of Civil Defense in and for Ohio County, for several months. The Clerk was instructed to file said correspondence.

The following letter was received in regard to Project No. 9-46-005-5804:

U. S. DEPARTMENT OF COMMERCE
Civil Aeronautics Administration

October 9, 1958

Mr. Harry F. Lewis, Clerk
The Board of Commissioners
County of Ohio
Wheeling, West Virginia

Dear Mr. Lewis:

In reply to your letter of September 26, 1958 concerning the relocation of the high intensity lights on Runway 3/21 at Wheeling-Ohio County Airport under Project No. 9-46-005-5804, we wish to confirm our previous verbal approval for the Board of Commissioners of the County of Ohio, West Virginia to accomplish said lighting relocation work by force account.

Sincerely yours,
/s/ William O. Collins
District Airport Engineer

The Clerk explained to the Board that the above correspondence verified the information that was given prior to this date by telephone, and this verification was requested by the Federal Auditor to secure in writing the formal approval of Civil Aeronautics Administration in regard to our use of "Force Account".

Commissioner Kress submitted a petition for the Board's determination and action in regard to a creation of a Public Service District, said petition being proper and carrying some 105 signatures. The Board then instructed the Clerk to enter the following order:

"OHIO COUNTY PUBLIC SERVICE DISTRICT"

This 17th day of October, 1958, came Lila Sheldon and one hundred and five (105) other legal voters residing within and owning real estate situated within Ohio County, West Virginia, and filed their petition for the creation of a public service district within those parts

of Ohio County not included within any municipality, pursuant to Article 13A of Chapter 16 of the Code of West Virginia, as amended.

Pursuant to the requirements of Section 2 of that Article, The Court appoints the 17th day of November, 1958, at the hour of 10:00 A.M. Eastern Standard Time, as the time, and the Court room of this Court located at No. 2217 Chapline Street, Wheeling, West Virginia, as the place, for public hearing on said petition.

It is further ordered that the Clerk of this Court do cause to be published in the Wheeling Intelligencer, a newspaper of a general circulation published in Ohio County, West Virginia, a notice respecting said petition, of the kind required by said statute.

The Mental Hygiene Commission reported the following suffering from mental illness, and committed to the State Hospital at Weston:

Margaret E. Moore
Agnes Gollner

The Clerk was instructed to record the following:

THIS DEED, Made this 15th day of October, 1958, by and between THE BOARD OF COMMISSIONERS OF THE COUNTY OF OHIO, a corporation, party of the first part, and THE STATE OF WEST VIRGINIA, by THE STATE ROAD COMMISSION OF WEST VIRGINIA, a corporation, party of the second part,

WITNESSETH: That for and in consideration of the sum of ONE DOLLAR (\$1.00), cash in hand paid, and other good and valuable considerations, the receipt of all which is hereby acknowledged, the party of the first part does grant, sell and convey in fee simple unto the said STATE OF WEST VIRGINIA, party of the second part, a certain strip or parcel of land situate in the County of Ohio, State of West Virginia, and shown as belonging to Board of Commissioners County of Ohio, upon map or blueprint marked, identified and described as plans of State Road Commission Project No. F-203 (14), Fulton Interchange, Ohio County, West Virginia, known as Parcel No. 205, the said real estate herein conveyed being more particularly described as follows, to-wit:

Beginning at a point in the southerly line of the National Road in the line between Daniel Steenrod and Hamilton Woods as it is shown on the plat of the town of Steenrod recorded in deed book No. 39, folio 307, in the office of the Clerk of the County Court of Ohio County, West Virginia; thence with the southerly side of the National Road in an easterly direction a distance of four hundred and thirty-two feet to a point; thence by a straight line in the southwesterly direction a distance of fifty-eight feet to a point which is distant from the southerly line of the National Road by a line measured at right angles thereto, ten feet; thence in a southwesterly direction of distance of fifty-six feet to a point which is distant from the southerly line of the National Road by a line measured at right angles thereto, twelve feet; thence by a straight line at right angles to the southerly side

of the National Road to the middle of Wheeling Creek; thence in a westerly direction with the meanderings of said creek to the westerly line of the property of George Conrad; thence with said westerly line of George Conrad to the place of beginning.

Said parcel is the same tract or parcel of land that was conveyed by George Conrad to Board of Commissioners of the County of Ohio, by deed dated May 28, 1903, and recorded in the said Clerk's office in Deed Book 112 at page 559.

Said property is conveyed subject, however, to all rights which were granted and conveyed by The Board of Commissioners of the County of Ohio to the Sanitary Board of the City of Wheeling and the City of Wheeling, a municipal corporation, by deed dated March 28, 1955 and recorded in the aforesaid County Clerk's office in Deed Book No. 368, at page 20.

IN WITNESS WHEREOF the said Board of Commissioners of the County of Ohio, State of West Virginia, has caused this deed to be signed by Edward F. McKee, its President, and its corporate seal hereunto affixed by authority duly given.

THE BOARD OF COMMISSIONERS OF THE COUNTY OF OHIO

By _____
Its President

(S E A L)

Attest:

Clerk (Signed by Board on date that shows)

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO-WIT:

I, _____, a Notary Public of the County of Ohio, do certify that Edward F. McKee, who signed the writing hereto annexed for The Board of Commissioners of the County of Ohio, a corporation, bearing date the _____ day of October, 1958, has this day, in my said County, before me, acknowledged the said writing to be the act and deed of said corporation.

Given under my hand and seal this _____ day of October, 1958.

Notary Public of, in and for Ohio County, State of West Virginia

Clerk reported receipt of the following checks:

Ck. No. 1550 dated October 3, 1958, amounting to \$370.00, received from The Board of Commissioners of the County of Ohio, for feeding J/P prisoners in Ohio Co. Jail during September, 1958. To be credited to Gen. Co. Fund.

Ck. No. 1171 dated October 4, 1958, amounting to \$4.00, received from the Village of Bethlehem, for feeding prisoners during September, 1958. To be credited to Gen. Co. Fund.

U.S. Treas. Ck. No. 3,905,397 dated October 13, 1958, amounting to \$71.63, for CAA Rental Contract. To be credited to Public Imp. Fund.

On motion duly seconded, the Board recessed until Friday, October 17, 1958 at 9:30 A.M.

Clerk

Notary Public

[Handwritten Signature]
Administrator

ATTEST: A TRUE AND ACCURATE COPY

The Clerk reported receipt of correspondence from Mr. George P. Hansen, Chairman Ohio County Civil Defense Advisory Council:

CIVIL DEFENSE
Ohio County Chapter
Wheeling, W. Va.

November 7, 1958

Mr. Ed. AcKee
1425 Chapline St.
Wheeling, W. Va.

Dear Sir:

At the meeting of the Advisory Council for Civil Defense in Ohio County, October 17, 1958, those members present, expressed the desire for the appointment of Mr. C. H. Draher as Director of Civil Defense in and for the County.

For your convenience there is enclosed a duplicate copy of this letter on which, I as Chairman of the Council, am requesting you indicate receipt of letter and your pleasure concerning the above mentioned appointment.

Very truly yours,
/s/ George P. Hansen, Chairman
Ohio County Civil Defense
Advisory Council

Commissioner Hal T. Kain then moved that on the recommendation of the Ohio County Civil Defense Advisory Council, the Board would endorse Mr. Chester H. Draher as Director of Civil Defense in and for Ohio County. Said motion was seconded by Commissioner Albert L. Kress, and unanimously carried.

The Clerk then reported that Airport Manager Charles J. Carter had received word from the insurance company that carried the one day airport property damage and liability insurance for the air show that was conducted by - John Borgan - on Sunday, October 19, 1958, sponsored by Windsor Volunteer Fire Department. In said correspondence, the company stated that no premium had ever been received, and as far as they were concerned, there was no insurance coverage for the day of the air show. After conferring with the Prosecuting Attorney, the Board felt that it was not involved with this insurance company and it would have to be straightened out with John Borgan or the Windsor Volunteer Fire Department.

On motion duly seconded, the Board recessed until Monday, November 17, 1958, at 9:30 A.M.

Nancy F. Lewis Clerk
Edward F. McKee President

NOVEMBER 17, 1958 - MONDAY

The Board of Commissioners of the County of Ohio met at the Court House at 9:30 A.M.

Present: President Edward F. AcKee, Commissioners Hal T. Kain and Albert L. Kress.

The Wheeling-Ohio County Airport payrolls for the period of November 1 to and including November 15, 1958, were approved in the total amount of Two thousand five hundred twenty-seven dollars and thirty-seven cents (\$2,527.37), and the Clerk was instructed to deduct Social Security in the total amount of Fifty dollars and thirteen cents (\$50.13), and Withholding Tax in the total amount of Two hundred two dollars and eighty cents (\$202.80), required by Federal law to be deducted from personal salaries.

The Mental Hygiene Commission reported - William Russell Vick - mentally ill and released into the custody of his brother, Edgar Roy Vick.

The Ohio County Department of Public Assistance presented requisition, duly certified and drawn in accordance with the public welfare law for the following:

General Relief Payroll (cash awards)	\$ 1930.00
Miscellaneous Aid	3793.35
Miscellaneous Aid	<u>4521.09</u>
TOTAL	<u>\$10,044.44</u>

Clerk reported receipt of the following correspondence:

WEST VIRGINIA
STATE DEPARTMENT OF PUBLIC ASSISTANCE
November 14, 1958

Ohio County

Mr. Harry Lewis, Clerk
Board of Commissioners of Ohio County
2217 Chapline St.
Wheeling, W. Va.

Dear Mr. Lewis: RE: Harry Biery

The above-named man made application to this Department for County Home care. He was approved by Dr. Thomas L. Thomas and was to go to the home on November 14, 1958.

He has no resources of any type. His nearest relative is a daughter, Mrs. Betty Edge, 400 Ontario Street, Wheeling, West Virginia.

This is for your information.

Very truly yours,

/s/ (Miss) Virginia Knowles
Director, Ohio Co. DPA

The following correspondence was received from Clerk of the County Court, Raymond J. Falland:

RAYMOND J. FALLAND
Clerk of The County Court
of Ohio County
Wheeling, W. Va.
November 17th, 1958

Board of Commissioners
Ohio County
Wheeling, West Virginia

Gentlemen:

Please be advised that Mary V. Lally resigned as stenographer to this office as of October 31, 1958.

In her place and stead, and to the promotions, am requesting the following revisions to monthly salaries which will not vary from the appropriation allotted to this office, to take effect as of November 1, 1958.

Robert V. Arkle	\$366.00
Frances A. Jeavons	306.00
Madelyn A. Jun	250.00
Margaret T. Voellinger	215.00
Rose A. Chiazza	195.00
Beverly Medi	188.00
Rita Holly	175.00
Patricia Piko	165.00
Diana Casper	165.00
Donna C. Huff	150.00

To the vacancy, am appointing Sue Ann Kuntz, 29 Bryan Street, at the salary of \$142.00 beginning November 10, 1958.

Respectfully submitted,

/s/ Raymond J. Falland
Clerk County Court, Ohio Co., W.Va.

RJF/b

The Clerk of the Board was then authorized to make the necessary payroll changes.

Clerk reported receipt of correspondence from W.Va. Civil Defense Agency, and was instructed to include in minutes said correspondence in its entirety in order to keep the record established. (See letter next page)

WEST VIRGINIA CIVIL DEFENSE AGENCY
A Division of the
Adjutant General's Department
151 11th Avenue
South Charleston

17 November 1958

Subject: Inactivation of Ground
Observer Corps

It is with regret that we inform you of the following decision which has been made of the Air Defense Command.

Effective 31 January, 1959, the Ground Observer Corps throughout the United States will be inactivated. The decision to eliminate the GOC as a function of Air Defense is based on the following considerations:

- a. The expansion and improved operational capabilities of the air defense radar system provide increasing assurance that enemy manned-bomber strikes can be detected and identified before they reach the borders of the United States.
- b. The increasing speed and effectiveness of the various types of aerial weapons must be matched by equal improvement in the speed and efficiency and the expansion of our radar detection and weapons guidance systems. The Air Force is meeting these requirements at an accelerated pace. As a result, the manually operated air defense of the past is being replaced by a semi-automatic air defense system known as SAGE (Semi-Automatic Ground Environment).
- c. The Air Force responsibility to relieve the volunteers of a heavy burden of duties when development of the electronic air surveillance system will permit.

It is of the utmost importance that we exert every effort to assure that the good will of the GOC Volunteers toward Civil Defense be maintained after the inactivation is complete.

* * * * *

The following Resolution and Order prepared by Assistant Prosecuting Attorney W. Frank Keefer, was presented to the Board whose action was as follows:

A Resolution and Order providing for the creation of a public service district in Ohio County, West Virginia

*** *** ***

WHEREAS, there has heretofore been filed in the office of the Clerk of The Board of Commissioners of the County of Ohio, West Virginia, and presented to this Board a petition for the creation of a public service district in Ohio County, West Virginia; and

WHEREAS, pursuant to the provisions of Article 13A of Chapter 16 of the West Virginia Code this Board on October 17, 1958 entered an order fixing November 17, 1958, at ten o'clock, A.M. (E.S.T.) and the court room of this Court, at No. 2217 Chapline Street, Wheeling, West Virginia as the date, time and place of a public hearing on the creation of said public service district:

NOW, THEREFORE, Be it and It is Hereby Resolved and Ordered by The Board of Commissioners of the County of Ohio, West Virginia, as follows:

Section 1. The Board of Commissioners of the County of Ohio, West Virginia, hereby finds and declares that there has heretofore been filed in the office of the Clerk of this Court and presented by said Clerk to this Court a petition for the creation of a public service district in Ohio County,

West Virginia, which petition contains a description sufficient to identify the territory to be embraced within the proposed public service district and the name of the proposed public service district and which petition has been signed by more than one hundred legal voters residing and owning real property within the limits of the proposed public service district, and further finds and declares that said petition in all respects meets the requirements of Article 13A of Chapter 16 of the West Virginia Code and that all of the territory to be embraced by said proposed public service district is located in Ohio County, West Virginia.

Section 2. Said Board of Commissioners further finds that upon the filing of said petition, namely, on the 17th day of October, 1958, an order was entered by this Board, fixing the 17th day of November, 1958, at ten o'clock, a.m. as the time, and the court room of this Board, as the place, for a hearing upon said petition, and directing the Clerk of this Board to publish in The Wheeling Intelligencer, a newspaper of general circulation published in Ohio County, West Virginia, a notice of the kind required by the statutes of the State of West Virginia, namely, W. Va. Code 16-13A-2, and that such notice was published in said newspaper at least ten days prior to said 17th day of November, 1958, namely, on November 5, 1958, which notice is here found and declared to be a full compliance with said statute and also said Order of this Board entered on the 17th day of October, 1958.

Section 3. On this date, namely, the 17th day of November, 1958, at ten o'clock, a.m., pursuant to said notice, a public hearing was held in the Court Room of this Board at the Court House of said County of Ohio, at which public hearing all persons residing in or owning or having any interest in property in the proposed public service district who appeared had an opportunity to be heard for and against its creation, and a number of persons appeared, none of whom opposed, but all of whom advocated, the creation of a public service district as prayed in said Petition.

Section 4. At said hearing this Board considered the feasibility of the creation of the proposed public service district, and determined that the creation thereof is feasible and that the construction or acquisition by purchase or otherwise and maintenance, operation, improvement and extension of public service properties by such public service district will be conducive to the preservation of public health, comfort and convenience of such area.

Section 5. Accordingly there is hereby created the Ohio County Public Service District.

Section 6. Said District shall be a public corporation and political subdivision of the State of West Virginia, with power of perpetual succession, but without any power to levy or collect ad valorem taxes. It shall also have all powers granted to such corporations by Article 13A of

of Chapter 16 of the Code of West Virginia.

Section 7. The territory of said Public Service District shall embrace all territory of Ohio County, West Virginia, not included, at the date of the adoption of this order, within the corporate boundaries of any incorporated City, Town or Village.

Section 8. The powers of said Public Service District shall be vested in and exercised by a public service board consisting of three (3) members.

Section 9. None of the territory embraced within said Public Service District lying within any incorporated City, Town or Village, and therefore no such City, Town or Village having any right to appoint a member of the board of said district, the said Board of Commissioners of the County of Ohio, by virtue of the authority vested in it by Section 3 of Article 13A of Chapter 16 of the Code of West Virginia, does hereby appoint the following three members of said board, all of whom reside within said district, namely, (1) Charles C. Beneke, whose post office address is R.D. 1, Wheeling, West Virginia, and whose initial term of office shall expire on the first day of November, 1960; (2) Harley F. Baker, whose post-office address is 342 Fairmont Avenue, Wheeling, West Virginia, and whose initial term of office shall expire November 1, 1962, and (3) James H. Prager, Long View Acres, Wheeling, West Virginia, and whose initial term of office shall expire November 1, 1964.

A True Copy Teste:

Harry F. Lewis, Clerk

The next item to come before the Board's attention was that concerning a Mrs. Irene Laney, #50 Lane 15, who had fallen on the steps leading from the Sheriff's office, after she had transacted tax business. Ralph Wagner, upon reporting all the facts concerning this matter to the insurance company, had received word by telephone that the Adjustor of Claims for said agency felt there was no liability on the part of the County and said claim would in all probability not be honored. The Clerk was instructed to notify the Asst. Pros. Attorney of the aforementioned insurance agency attitude, (R.P. Herold Ins. Agency) and have them appear before the Board and discuss this matter further.

On motion duly seconded, the Board recessed until Wednesday, November 19, 1958, at 9:30 A.M.

Harry F. Lewis
Clerk

Edward F. McKee
President

NOVEMBER 19, 1958 - WEDNESDAY

The Board of Commissioners of the County of Ohio met at the Court House at 9:30 A.M.

Present: President Edward F. McKee, Commissioners Hal T. Kain and Albert L. Kress.

Application for correction of Erroneous Assessment was, on motion duly seconded, approved and ordered certified to the State Auditor, Sheriff and Assessor for the following:

<u>NAME</u>	<u>AMOUNT</u>	<u>DISTRICT</u>	<u>CLASS</u>
Chanek, Edwin	\$29.95	Clay	3

John C. ...
Administrator

ATTEST:
A TRUE AND ACCURATE COPY:

The Mental Hygiene Commission reported the following hearing:

Frances Grandstaff - who was declared not mentally ill.

Clerk reported receiving August Monthly statement of Clerk of Circuit Court, which was ordered filed.

The Clerk was instructed to issue correspondence in regard to Trans. of Funds from General County Fund to the C.C.B.A.C., in the amount of \$5,000.00. (check No. 10597) dated September 11, which represents the third transfer from Ohio County for the year 1964-65.

Meeting then recessed until Monday, September 14, at 7:00 P.M.

Paul H. Becker
Deputy Clerk

Charles C. Beneke
President

SEPTEMBER 14, 1964 - MONDAY

The Board of Commissioners of the County of Ohio met at the County Court House at 7:00 P.M.

Present were: President Chas. C. Beneke, and Commissioners Cecil L. Hedrick and Warren W. Pugh. President Beneke presided.

Minutes of meeting held September 11 were read and approved.

The subject of hours the Voters Registration office be kept open was discussed, and upon motion by Commissioner Pugh, seconded by President Beneke, it was decided that the office be kept open from 8:30 A.M. to 8:00 P.M. on dates of September 18, 25 and October 2, and from 8:30 A.M. until 6:00 P.M. on October 3.

The Mental Hygiene Commission reported hearing on -

Paul Joseph Fatckovitch - who was declared mentally ill and placed in custody of the Veterans' Adm. for care and treatment.

A letter was received from Mr. George A. Weisner, Secretary of the Bethleem Fire Dept. Inc., making application for their annual contribution, and upon motion by Commissioner Pugh, seconded by President Beneke, the Clerk was ordered to have a check for \$500.00 mailed to this organization.

A letter from the Honorable Robert C. Byrd, U.S.S., pertaining to his efforts in the Hazel-Atlas controversy, was read and ordered filed with the balance of the correspondence regarding this matter.

Notary Public application for - Henry F. Baker - was on motion, duly approved and ordered certified to the Governor.

The Ohio County Department of Welfare presented requisitions duly certified and drawn in accordance with the Public Welfare Law for the following:

General Relief Payroll (cash awards)	\$1835.00
Miscellaneous Aid	611.90
Miscellaneous Aid	430.80
	<u>\$6757.70</u>

Applications for correction of Erroneous Assessments were, on motion, duly seconded, approved and ordered certified to the State Auditor, Sheriff and Assessor for the following:

NAME	AMT.	DISTRICT
Maegete, Charles	\$ 2.25	Clay
Ornold, Ophelia A.	63.06	Triad.-Wng.
Pure Oil Co.	160.96	Triad.-Wng.

The Board examined bills listed below, approved same and ordered paid:

GENERAL COUNTY FUND

Harriette A. Tiabrook	\$ 36.98	Agri. Agr.
Carl H. Becker	8.57	Surplus Commod.
Geo. Cook Dist. Co.	32.45	Co. San. \$ 10.35
		F. Pris. F. 22.10 - \$32.45
Wng. Wise. Grocery Co.	29.50	Co. San. 3.85
		F. Pris. F. 25.65 - 29.50
Addressograph-multigraph Corp.	89.45	Assessor 76.20
		Co. Commrs. 13.25 - 89.45
Lucile J. Schwinn	63.23	Clk. Cir. & Int. Ct. (Elec. Misc. L.)
Wheeling Electric Co.	201.74	Co. Home 20.20
		Dent. Home 20.20
		Co. San. 161.34 - 201.74
Ida Mae Stollar, Matron	59.50	Deten. H.
Albert L. Harig	3.00	Felony
Adolph H. Namik, Jr.	20.00	Inques?
News Publishing Co.	20.79	Legal Adv.

Attorney Callahan further presented a certified photo-copy of the Order passed by The Board of Commissioners of the County of Ohio, pertaining to this hearing, as it appeared in the Wheeling News-Register and Intelligencer under date of August 14, 1964, which copy is recorded in this minute Book K-1 on pages Nos. 29-30, under date of August 10, 1964. Certificate of publication attached hereto and made a part of these minutes.

CALLAHAN, Attorney
The undersigned, Attorney Callahan, do hereby certify that the foregoing is a true and correct copy of the original as the same appears in the records of the County of Ohio, to-wit: the County Clerk's Office, at Columbus, Ohio, on this 10th day of August, 1964.

WHEELING, Ohio
I, the undersigned, Clerk of the County of Ohio, do hereby certify that the foregoing is a true and correct copy of the original as the same appears in the records of the County of Ohio, to-wit: the County Clerk's Office, at Columbus, Ohio, on this 10th day of August, 1964.

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WHEELING, Ohio
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STATE OF WEST VIRGINIA,
COUNTY OF OHIO.

I, Eugene L. Thayer for the publisher of the
WHEELING NEWS-REGISTER
WHEELING INTELLIGENCER newspapers published in the CITY OF
WHEELING, STATE OF WEST VIRGINIA, hereby certify that the
announced publication was inserted in said newspaper on the following dates:

August 14

commencing on the 14th day of August, 1964
Gleam under my hand this 17th day of August, 1964

Subscribed before me this 17 day of
August, 1964 at WHEELING, OHIO COUNTY, WEST
VIRGINIA

Eugene L. Thayer
Notary Public

of, in and for OHIO COUNTY, WEST VIRGINIA.
My Commission expires January 12, 1965

President Beneke then placed under Oath - Messrs. Prager, Hays, Brill, and Miss Kessler, for questioning regarding this water extension project, whereupon Attorney Callahan asked the individuals as to whether or not they were acquainted with the territory to be served, whether they felt the water service offered possibilities which would induce population growth; whether or not the extended project would benefit the town of Bethany, and if this extension would assist the project financially, to which questions each individual answered in his or her reply, in an emphatic manner that they were acquainted with the territory to be served, that this extension would certainly stimulate building, that the town of Bethany was in dire need of an adequate water supply, and that in their opinion the engineering report of the system as prepared by Pride Associates was feasible.

Attorney Callahan then presented a Resolution and Order, which is as follows:

RESOLUTION and ORDER

Re: Ohio County Public Service District

At a regular meeting of the County Court of Ohio County, West Virginia, continued and held at the Courthouse of said County, Charles C. Beneke, Cecil Hedrick and Warren Pugh, Commissioners, being present thereat, on the 31st day of August, 1964, being the date fixed by prior action of the County Court for conducting the public hearing on the extension of the boundaries of Ohio County Public Service District, which District was originally created and established by the County Court by a resolution and order entered on the 17th day of November, 1958, the President announced that due publication of notice of such public hearing in accordance with an order entered by the County Court on the 11th day of August, 1964, had been made in the Wheeling Intelligencer and Wheeling News-Register on the 14th and 17th day of August, 1964, as appears from a Certificate of Publication tendered to the County Court and now filed herein and had also been made in the Daily Herald, a newspaper of general circulation published in Brooke County upon order of the County Court of Brooke County as appears from a certificate of publication tendered to the County Court and now filed herein, the hearing date of August 31, 1964, having been continued by the County Court on August 31, 1964, at the meeting of the County Court, to this date. Thereupon, all persons residing in or owning or having any interest in property in Ohio County Public Service District and in the territory embraced within the proposed extension of the boundaries of said District into Brooke County desiring to be heard for or against the extension of such boundaries were given full opportunity at a hearing held on this date before this County Court and several persons testified in favor of such extension and no one appeared in opposition thereto.

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The County Court then further discussed the extension of the boundaries of said Ohio County Public Service District, whereupon, on unanimous vote of all the Commissioners, the following order and resolution was adopted, effective immediately:

ORDER AND RESOLUTION EXTENDING THE BOUNDARIES OF OHIO COUNTY PUBLIC SERVICE DISTRICT INTO BROOKE COUNTY AND RATIFYING AND CONFIRMING THE CREATION OF SAID PUBLIC SERVICE DISTRICT AS SO EXTENDED.

WHEREAS, the County Court of Ohio County, West Virginia, did heretofore, by a resolution and order entered August 11, 1964, fix a date for a public hearing on the proposed extension of the boundaries of Ohio County Public Service District upon its own motion and in a. 1 by said resolution and order provided that the County Court of Brooke County and the Clerk thereof should be notified of such public hearing and ordered that all persons residing in or owning or having any interest in property in Ohio County Public Service District, as extended, might appear before the county Court and have an opportunity to be heard for and against such extension; and

WHEREAS, notice of this hearing was duly given in the manner provided and required by Article 13A, Chapter 16 of the Code of West Virginia by this County Court and by the County Court of Brooke County and all interested persons having been afforded an opportunity to be heard for and against the extension of the boundaries of said District and no written protest having been filed by the requisite number of qualified voters registered and residing within the said District and the proposed extension thereof or otherwise and the County Court having given due consideration to all matters for which such hearing was had; and

WHEREAS, the County Court is of opinion and hereby determines that the extension of the boundaries of Ohio County Public Service District as provided in said resolution and order entered on August 11, 1964, is feasible and that water services proposed to be rendered by said District within its original and extended boundaries will be conducive to the preservation of public health, comfort and convenience in said District as so extended and that a resolution and order extending the boundaries of said District and ratifying and confirming the creation of said District as heretofore recited should be adopted;

NOW, THEREFORE, be it and it is hereby ordered and resolved by the County Court of Ohio County, West Virginia, as follows:

1. The creation of Ohio County Public Service District, heretofore created by this County Court by order entered November 17, 1958, embracing all territory of Ohio County, West Virginia, not included on said date within the corporate boundaries of any incorporated city, town or village, is hereby ratified and confirmed with additional territory extending into Brooke County, West Virginia, and embracing the Incorporated Town of Bethany, which additional territory is described as follows:

The territory embraced within the corporate limits of the Town of Bethany in Buffalo District of Brooke County, and further to include the territory in Brooke County bounded by a strip of one (1) mile wide on each side of West Virginia State Route No. 88 from the Town of Bethany to the Ohio County line,

a certified copy of a resolution of the Common Council of the Town of Bethany consenting to the inclusion of said Town within the

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boundaries of Ohio County Public Service District having been tendered to and inspected by this County Court, and now hereby ordered to be filed herein. And this County Court does hereby create, ratify and confirm Ohio County Public Service District as a public service district embracing all said original territory and said additional territory and said District shall be deemed and considered to have been created and re-created in its entirety on the date hereof; provided, however, that all lawful actions taken and things done by the lawfully constituted Public Service Board of Ohio County Public Service District named in said resolution and order entered November 17, 1958, are hereby ratified and confirmed.

2. Said Public Service District as so extended shall have the name and corporate title of "Ohio County Public Service District" and shall constitute a public corporation and political subdivision of the State of West Virginia having all the rights and powers conferred on public service districts by the laws of the State of West Virginia and particularly by Article 13A, Chapter 16 of the Code of West Virginia.

3. This County Court has on the date hereof received and hereby orders to be filed herein, a certified copy of a resolution adopted by the Council of the Town of Bethany consenting to the inclusion of said Town within the boundaries of said District.

4. The County Court hereby reappoints, appoints and ratifies the appointment of the following three persons residing within said District as members of the Public Service Board of said District for the terms shown after their names:

James H. Prager, for a term expiring November 1, 1964

Robert A. Hays, for a term expiring November 1, 1966

Melvin Folmar, for a term expiring November 1, 1968

such terms to run until said date as set forth above.

5. This County Court having heard testimony at this hearing as to the feasibility of the extension of said District and the re-creation of said District with its original boundaries as so extended and as to the construction or acquisition and the maintenance, operation, improvement and extension of public service properties of said District, now hereby finds and determines that such extension and re-creation are feasible and that such construction, acquisition, maintenance, operation, improvement and extension will be conducive to the preservation of public health, comfort and convenience of the entire territory of said District, including that part in Brooke County.

6. It is the intent and order of this County Court, that all legal requirements therefor having been met, that Ohio County Public Service District be a public service district under the laws of West Virginia embracing all territory of Ohio County, West Virginia, not included on November 17, 1958, within the corporate boundaries of any incorporated city, town or village within Ohio County, and embracing the above described territory including the Town of Bethany within Brooke County, and that Ohio County Public Service District shall be considered to have been duly created on the date hereof with all territory hereinabove described and that all lawful actions by the Public Service Board of said District heretofore taken be and they are hereby fully ratified and confirmed.

* * * * *

Upon motion by Commissioner Pugh, seconded by President Benke and carried, the resolution was adopted. * * * * *

I, Carl H. Becker, Deputy Clerk of the Board of Commissioners of the County of Ohio, hereby certify that the following is a true and exact copy of a resolution and order passed by The Board of Commissioners of the County of Ohio at a regular meeting held on the 14th day of September, 1964, and recorded in Minute Book K-1, pages _____, of the Board of Commissioners of the County of Ohio.

Given under my hand this _____ day of September, 1964.

Carl H. Becker, Deputy Clk.

* * * * *

The hearing being completed, the regular order of business was resumed.

President Benke advised the Board that Mr. Futhey had contacted him stating that the application for financial aid to the Community Facilities Division is ready for approval by the Board of Commissioners, and the Planning & Development Committee of the City Council; whereupon Commissioner Hedrick made a motion which was seconded by Commissioner Pugh, that said meeting be held on Friday, September 18, at 10:30 A.M. The Clerk was instructed to notify the members of the Council committee, together with Mr. Ward Elliott, Mr. Wm. Futhey, Assistant City Manager Albert D. Howe, and Mr. James Schellhese, the time and place of this meeting.

Dr. Robert Sonneborn then appeared before the Board, and advised that in compliance with the law, all narcotics on hand at the County Sanitarium, had been returned to the U.S. Treasury Department, Bureau of Narcotics, and requested instructions as to the disposition of medicines on hand, and certain chattels. Upon motion by Commissioner Hedrick, seconded by Commissioner Pugh and carried, it was decided that these chattels and medicines be given to the hospitals, medical centers or other public branches of the government who would have use for same, and the distribution be left to the good judgment of Dr. Sonneborn, with the exception of the typewriter and the X-Ray machine.

The Clerk reported that arrangements had been made with Carl Church and Charles Louk, to act as watchmen at the Sanitarium from three o'clock in the afternoon, until seven o'clock in the morning, which left the period from 7:00 A.M., until 3:00 P.M. with no one in attendance, effective September 30, 1964. The matter was discussed at some length, and the Clerk was instructed to contact Mrs. Mabel Bowman to ascertain if she would be interested in acting as an attendant at the Sanitarium from 7:00 A.M. until 3:00 P.M., and live at the Nurses home, in order that someone would be there throughout the night. Inasmuch as all emoluments, with exception of rent, light and heat, will cease as of September 30, the following amounts would be paid:

Mrs. Mabel Bowman	- Seven days a week	- \$250.00 per month
Carl Church	- " " "	- 210.00 " "
Charles Louk	- " " "	- 230.00 " "

The Clerk was instructed to have the locks changed on the doors at the Nurses home, and a chain barrier placed across the road entering the County property.

The Clerk was further instructed to notify all employees of the Sanitarium that their services will be terminated as of September 30, 1964, but the Board will allow them two weeks severance pay.

This notice is also to express regrets that the lease with the Salvation Army could not be consummated, as it was the understanding that the Army would retain those of the present Sanitarium personnel who desired to stay. Further that Jerry Reinhardt and Charles Hall, be given notice to vacate the premises as soon as is possible to do so.

The Board then recessed meeting until Wednesday, September 16, 1964, at 12 o'clock Noon.

Paul H. Lucken
Deputy Clerk

Charles C. Beneke
President

SEPTEMBER 16, 1964 - WEDNESDAY

A special meeting of The Board of Commissioners of the County of Ohio, was held at the County Court House, Wednesday, September 16, at 12:00 o'clock noon.

Present were: President Charles C. Beneke, and Commissioners Cecil L. Hedrick and Warren W. Pugh. President Beneke presided.

The purpose of this meeting was to examine the minutes of the meeting held Monday, September 14. After reading said minutes, upon motion by Commissioner Pugh, seconded by President Beneke, they were approved as read.

There being no further business, the meeting recessed until Friday, September 18, at 10:00 A.M.

Paul H. Lucken
Deputy Clerk

Charles C. Beneke
President

SEPTEMBER 18, 1964 - FRIDAY

The Board of Commissioners of the County of Ohio met at the County Court House at 10:00 A.M.

Present were: President Chas. C. Beneke, and Commissioners Cecil L. Hedrick and Warren W. Pugh. President Beneke presided.

Upon motion by Commr. Hedrick, seconded by Commr. Pugh, the minutes of the meeting of September 16 were read and approved.

The Mental Hygiene Commission reported the following hearings:

- Jean Lynn Naegels
- and
- Cheryl Naegels - both suffering from mental deficiency and committed to the W. Va. Training School at St. Marys, W. Va.

Notary Public applications for - Steve Gramen and George K. Reed, were on motion, duly approved and ordered certified to the Governor.

Application for correction of Erroneous Assessments were, on motion duly seconded, approved and ordered certified to the State Auditor, Sheriff and Assessor for the following:

NAME	AMT.	DISTRICT
Bachmann Development Corp.	\$375.60	Parsons
Campbell, James J.	34.88	Madison
Diss, Andrew V. & A.V.	8.06	Triad. - Wheeling
Maxwell, Allen L. & J.	114.02	Ritchie-Bethlehem

The Clerk reported receiving a request from Mrs. Mildred Fredrich, City-County Health nurse, for authority to transport a tubercular patient to Pinecrest Sanitarium. This patient was examined by Dr. Sonneborn, who made application for admittance of the patient to the Sanitarium. Mrs. Fredrich further made a request for an advance of \$30.00 for expense of the trip, and an itemized account of her expenditures is to be submitted upon her return. Upon proper motion duly seconded and carried, the Clerk was instructed to approve the application for admission, and issue check to Mrs. Fredrich for the above amount requested.

The Clerk reported receiving the Brucellosis Test report from the County Veterinarian for the month of August. Said report was ordered filed.

ATTEST: A TRUE AND ACCURATE COPY

BEFORE THE COUNTY COMMISSION
OF BROOKE COUNTY, WEST VIRGINIA

IN THE MATTER OF ENLARGING
OHIO COUNTY PUBLIC SERVICE
DISTRICT INTO BROOKE COUNTY

ORDER

On the 1st day of June, 1995, at a session of the Commission duly called and at which all of the Commissioners were present, the Commission conducted a public hearing in the Brooke County Commission Hearing Room at the Brooke County Courthouse in Wellsburg, West Virginia, commencing at 4:00 o'clock p.m., to consider and determine the feasibility of the following proposal, which proposal was made by the Commission on its own motion by order duly adopted and entered on May 11, 1995:

That Ohio County Public Service District, a public corporation and political subdivision of the State of West Virginia which was heretofore created for the purpose of supplying water and sewer services within its existing territory, be enlarged to include and embrace the additional territory as hereinbelow described for the purpose of supplying sewer service to such territory:

Beginning at the intersection of the centerline of Short Creek Road (Ohio County Route 1) with the boundary line separating Ohio County and Brooke County, West Virginia; thence following said centerline of Short Creek Road in a northerly direction Eight Hundred (800) feet, more or less, to its intersection with the centerline of Girty's Point Road (Brooke County Route 2/2); thence following said centerline of Girty's Point Road in a northerly, then easterly direction Fourteen Thousand Six Hundred and Eighty (14,680) feet, more or less, to the intersection of the centerline of Girty's Point Road with the boundary line between Ohio County and Brooke County, West Virginia; thence with said boundary line in a westerly direction Eleven Thousand (11,000) feet, more or less, to the intersection of said boundary line with the waters of Short Creek; thence with the waters of Short Creek in a northerly direction One Thousand Eight Hundred and Eighty (1,880) feet, more or less, to the place of beginning.

IN THE MATTER OF
ENLARGING OHIO COUNTY
PUBLIC SERVICE DISTRICT
INTO MARSHALL COUNTY

On the 10th day of October, 1978, at a session of the Commission duly called and at which all of the Commissioners were present, the Commission conducted a public hearing in the Marshall County Commission Room at the Marshall County Courthouse in Moundsville, West Virginia, commencing at 10:00 o'clock A. M., to consider and determine the feasibility of the following proposals, which proposals were made by the Commission on its own motion by order duly adopted and entered on September 19, 1978:

1. That Ohio County Public Service District, a public corporation and political subdivision of the State of West Virginia which was heretofore created for the purpose of supplying water services within its existing territory be enlarged to include and embrace the additional territory as hereinbelow described:

Beginning at the West Virginia-Pennsylvania state line marker #31, which is located at the intersection of the Marshall County-Ohio County line with said state line.

Thence, from said point of beginning, and running with said state line, south 19, 710 feet, more or less, to the centerline of Enlow Fork in Majorsville:

Thence, running downstream in a southwesterly direction, with the centerline of Enlow Fork and thereby the south line of the old Sand Hill District, 5,600 feet, more or less, to the centerline intersection of said

Enlow Fork with Dunkard Fork, forming Wheeling Creek, at the northeast corner of the Marshall County Public Service District # 4;

Thence, continuing downstream in a westerly direction, with the centerline of Wheeling Creek and thereby the south line of the old Sand Hill District and the north line of said Public Service District # 4, 56,000 feet, more or less, to the centerline intersection of Wheeling Creek with Bald Eagle Run at the third described corner of said Marshall County Public Service District #4;

Thence, continuing downstream in a northerly direction, with the centerline of Wheeling Creek and thereby the west line of the Old Sand Hill District, 40,100 feet more or less, to the Marshall County-Ohio County line;

Thence, in an easterly direction, with said county line, 37,500 feet more or less, to the place of beginning containing 26.65 square mile, more or less and being the same area formerly known as the Marshall County, Sand Hill magisterial district.

THEREUPON came M. J. Montgomery, a citizen of Sand Hill District, who tendered to the Commission for filing the affidavit of Sandy Green for the publisher of the Wheeling News Register, of the publication of notice that this hearing would be held at this time and place, and as well she tendered for filing her own affidavit stating that she had posted said Notice as required by law. Said affidavits were thereupon ORDERED filed by the Commission. And the Commission then proceeded to hear and consider the comments of all of the persons in attendance, affording all of them the opportunity to be heard with respect to said proposal made by the Commission.

And after hearing the arguments in favor of said motion and finding that there was no opposition thereto, the Commission does make the following findings of fact:

1. That the Clerk of the Commission caused notice of said hearing and the time and place thereof, and setting forth a description of the additional territory proposed for inclusion in Ohio County Public Service District, to be published in the Wheeling News Register, a qualified newspaper of general circulation in Marshall County, West Virginia, on September 29, 1978 and October 2, 1978, the first notice being more than ten days prior to said hearing.

2. That more than ten days prior to said hearing, there was posted in at least five conspicuous places in the said territory proposed for inclusion in said District a notice containing the same information as was contained in the notice published on September 29, and October 2, 1978.

3. That affidavits filed heretofore, of the publication and posting of said notices were duly made by Sandy Green for the publisher of the said Wheeling News Register and by M. J. Montgomery both under oath, containing a copy of said notice as published and posted, showing the date of said publication and the costs thereof, and showing the date and places on and at which said M. J. Montgomery posted said notice, all in accordance with Chapter 59, Article 3, Section 4, of the Code of West Virginia of 1931, as amended.

4. That at said hearing on October 10, 1978, which was conducted not more than forty days and not less than twenty days from the date of the said Motion of the Commission making the aforesaid proposals and fixing said date for said hearing, no oral or written protest was made or filed by any person or persons to the aforesaid proposals.

5. That the enlargement of Ohio County Public Service District to include and embrace the additional territory set forth and hereinbefore described, within both its existing territory and said additional territory, and to include the construction or acquisition by purchase or otherwise, and the maintenance, operation, improvement, and extension of, public service properties supplying such water services, will be conducive to the preservation of public health, comfort and convenience of the existing territory of said District, will be conducive to the preservation of public health, comfort, and convenience of the additional territory proposed for inclusion in said District, and will be conducive to the preservation of public health, comfort, and convenience of

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6. That it is necessary, feasible, and
into effect said proposal made by the Commiss
Motion duly adopted and made on September 19.

7. That the description of the addition
proposed for inclusion in said District as th
set forth in the said Notice is sufficient to
territory embraced therein, and no cities, in
towns, or other municipal corporations, and n
any other public service district, are includ
territory.

On the motion of Commissioner G. Charles
was seconded by Commissioner Richard B. Ward
carried, it is accordingly

ADJUDGED and ORDERED by the Commission th
Public Service District, a public corporation
subdivision of the State of West Virginia, be
hereby, enlarged to include and embrace the ac
tory set forth and described in paragraph one
of fact herein and that the said Ohio County F
District as so enlarged, shall hereby include
all of the territory set forth and described i
graph; and it is further

ADJUDGED and ORDERED that the said Ohio C
Service District, as hereinbefore enlarged is
with and granted all of the rights, powers, an
conferred by the laws of the State of West Vir
particularly by Article 13A of Chapter 16 of t

THE OHIO COUNTY COMMISSION
OF THE COUNTY OF OHIO

The Ohio County Commission of the County of Ohio met in the Board Room of the County Court House on Friday, October 6, 1978 at 2:35 p.m.

The meeting was called to order by Commissioner Anthony and those in attendance were Commissioner David R. DeProspero, Administrator Thomas C. Samol and Legal Counselor Landers P. Bonenberger. Absent was President John I. Tominack.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that the reading of the minutes of the regular meeting on September 20, 1978, and the minutes of the special meeting on September 25, 1978, be dispensed with and approved as presented and carried.

STAFF REPORTS

Election Clerk Neva Wolen reported to the Commission that the office has been really busy with voters registering. Administrator Samol assisted Election Clerk Wolen with the programming test and everything is in real good shape.

Administrator Thomas Samol stated that all County offices will be closed Monday, October 9, 1978, in observance of Columbus Day except those offices required by statute to remain open.

Legal Counselor Landers Bonenberger requested the Commission review the proposed lease with West Virginia Energys regarding the leasing of ground at the Ohio County Airport and also the proposed lease with the Ohio Valley Regional Transportation Authority regarding ground transportation to and from the Ohio County Airport.

Counselor Bonenberger reported orally to the Commission that he received a call from the Attorney General's Office concerning expenses incurred at the hospital for patients taken there by municipal police prior to being taken to the sheriff for custody. According to the assistant attorney that Counselor Bonenberger spoke to, he indicated that if a state or municipal authority takes a prisoner to the hospital for treatment, they are responsible for any expenses incurred for the treatment.

The modus operandi in Kanawha County is that the Sheriff will refuse custody of any prisoner who is in need of any medical treatment and requires whoever places the individual under arrest to take them to the hospital, guard them at the hospital at the arresting authority's expense until they are in a condition to be placed in jail.

Counselor Bonenberger added that he will place in writing to the Commission his opinion after he has received the written opinion from the Attorney General's Office.

The following subjects were discussed regarding the proposed lease with West Virginia Energys:

1. The need for the bid process on the construction of the proposed hangar.
2. West Virginia Energys is to purchase their fuel from Ohio County Airport authorities.
3. The Ohio County Commission have some kind of process of review in what type of building(s) are constructed on the leased ground.
4. The omission of "the consent will not be arbitrarily or unreasonably withheld" regarding the right of assignment.
5. Clarifying "the Consumer Price Index".

THE OHIO COUNTY COMMISSION
OF THE COUNTY OF OHIO

The Ohio County Commission of the County of Ohio met in Board Room of the County Court House on Friday, October 6, at 2:35 p.m.

The meeting was called to order by Commissioner Anthony. Those in attendance were Commissioner David R. DeProspero, Administrator Thomas C. Samol and Legal Counselor Landers P. Bonenberger. Absent was President John I. Tominack.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that the reading of the minutes of the regular meeting on September 20, 1978, and the minutes of the special meeting September 25, 1978, be dispensed with and approved as presented and carried.

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WEST VIRGINIA
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CORRESPONDENCE

A letter has been received from Marshall County Prosecuting Attorney Mark Karl advising the Ohio County Commission that the Marshall County Commission has approved an extension of the Ohio County Public Service District to include the Sand Hill area.

A letter has been received from the Blue Ribbon Committee of the City of Wheeling extending their invitation for a member of the Ohio County Commission to serve on its committee.

Commissioner Anthony made a motion, seconded by Commissioner DeProspero, appointing Commissioner DeProspero to serve on the Blue Ribbon Committee as a representative of the Ohio County Commission. Motion carried.

Notification has been received from the Economic Development Administration regarding the 10% minority business on the new annex project that the Commission had requested. A waiver for the minority business has been granted with a 6.4% minority participation.

OLD BUSINESS

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that \$1,800.50 be granted to the Ohio County Youth Service in view of the fact that the City of Wheeling has also granted \$1,000.00. The County's share will come from Reimbursable Contingences. Motion carried.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, to approve the agreement between the Ohio County Commission and the Ohio Valley Regional Transportation Authority regarding transportation at the Ohio County Airport contingent upon O.V.R.T. approval. Motion carried.

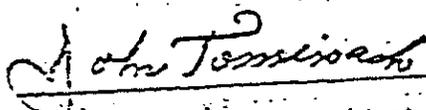
NEW BUSINESS

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that the Notary Public Applications for M. A. K. Omarza, Phyllis I. Russell, Joseph V. Dusci, Mary P. Lewyn, Pauline A. B. Ernest E. Bentfield, Patricia P. Tolbert, Raymond Tolbert, Patri Tolbert, Jeanne E. Springer, Thomas O. McKean and Arthur L. McKean be approved as submitted. Motion carried.

BILLS TO BE PAID

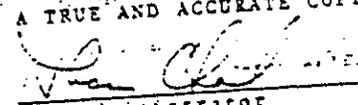
Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that the bills be paid as submitted. Motion carried.

There being no further business at this time, the meeting adjourned at 3:10 p.m. The next regular meeting will be held on Wednesday, October 18, 1978.


John I. Cominack, President


Thomas C. Samol, Administrator

ATTEST: A TRUE AND ACCURATE COPY


Administrator

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MISCELLANEOUS ORDERS

REGULAR ADJOURNED SESSION OF THE COUNTY COURT OF BROOKE COUNTY, WEST VIRGINIA
HELD MONDAY, AUGUST 17, 1964

The County Court of Brooke County, West Virginia met in regular session this
17th day of August 1964 at 6:30 P. M. at the Courthouse.

Present: Walter Harvey, President
J. A. Mulhollen and Bernard V. Kelly, Sr. Commissioners
E. C. Schererville, Clerk

A discussion was held by the Court concerning a resolution received by the Brooke County Court signed by the Ohio County Court with regards to the Ohio County Public Service District to be extended into Brooke County for the purpose of supplying water to the Incorporated Town of Bethany and also includes territory along Route 88, which is not under the jurisdiction of the town of Bethany. The Court delayed action on the matter until they receive legal advice on the matter. The Court also agreed that the matter should be taken up with the Brooke County Planning Commission.

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REGULAR ADJOURNED SESSION OF THE COUNTY COURT OF BROOKE COUNTY, WEST VIRGINIA
HELD THURSDAY, September 3, 1964

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The County Court of Brooke County, West Virginia met in regular adjourned session this 3rd. day of September 1964 at 6:30 P. M. at the Courthouse.

Present: Walter Harvey, President
J. A. Mulhollen and Bernard V. Kelly, Sr. Commissioners
E. C. Sommerville, Clerk

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Mr. Charles B. Bell, Assistant Prosecuting Attorney met with the Court and discussed the proposed extension of the Ohio County Public Service District into Brooke County, for the purpose of supplying water to that area.

A motion was made by J. A. Mulhollen and seconded by Bernard V. Kelly, Sr. that the following resolution be adopted.

NOTICE

I. E. C. Sommerville, Clerk of the Brooke County Court, do hereby certify that at a regular meeting of said Brooke County, Court held on the 3rd. day of September, 1964, there being a quorum present, the attached Resolution was unanimously passed by said Brooke County Court.

Given under my hand this 3rd day of September, 1964.

E. C. Sommerville
Clerk

MISCELLANEOUS ORDERS

RESOLUTION

BE IT HEREBY ORDERED AND RESOLVED BY THE COUNTY COURT OF BROOKE COUNTY, WEST VIRGINIA, that this County Court having received due notice of a hearing before the County Court of Ohio County, West Virginia, to be held upon the proposed amendment and extension of the boundaries of Ohio County Public Service District to include the Town of Bethany and other territory within Brooke County, and this County Court having received and filed a certified copy of a resolution of the Common Council of said Town of Bethany consenting to the inclusion of said Town within said boundaries, and this County Court having received and filed a certified copy of an order and resolution of the County Court of Ohio County, West Virginia, entered August 10, 1964, in words and figures as follows:

"WHEREAS, by order of the County Court of Ohio County entered on the 17th day of November, 1958, following public hearing as required by statute, said County Court established Ohio County Public Service District and fixed the boundaries of said Public Service District as follows:

The Territory of said Public Service District shall embrace all territory of Ohio County, West Virginia, not included at the date of adoption of the aforesaid order, within the corporate boundaries of any incorporated City, town or village; and

"WHEREAS, the Public Service Board of said District has moved the County Court to amend the description of the boundaries of said Public Service District as hereinafter stated; and

"WHEREAS, the County Court has determined to grant such motion and upon its own motion proposes to so amend said boundaries;

"BE IT ACCORDINGLY ORDERED AND RESOLVED by the County Court of Ohio County, West Virginia, that the County Court of Ohio County does hereby propose upon its own action to amend the description of the boundaries of Ohio County Public Service District in order to include the territory embraced within the corporate limits of the Town of Bethany in Buffalo District of Brooke County, and further to include the territory in Brooke County bounded by a strip one mile wide on each side of the West Virginia State Route #88 from the Town of Bethany to the Ohio County line, a certified copy of a resolution of the Common Council of the Town of Bethany consenting to the inclusion of said Town within the boundaries of Ohio County Public Service District having been tendered to and inspected by this County Court and now hereby ordered to be filed herein.

"FURTHER ORDERED that the County Court hereby fixes the 11th day of August, 1964, said date being not more than forty not less than twenty days from the date of entry of this order, for a hearing before the County Court upon the said amendment of the boundaries of Ohio County Public Service District, said hearing to be held in the Ohio County Court Room in the City of Wheeling at the hour of 7:00 o'clock p.m. The County Court hereby directs the Clerk hereof to mail by certified mail to the County Court of Brooke County and to the Clerk thereof certified copies of this order to notify said County Court and said Clerk of said Clerk of said proposed amendment and of said hearing. The County Court further directs the Clerk hereof to cause

MISCELLANEOUS ORDERS

notice to be given of said hearing and the time and place thereof and a description of all the territory proposed to be included within the boundaries of said Public Service District by publication one time of this order, including the foregoing preambles, in a newspaper of general circulation published in Ohio County at least ten days prior to said hearing date, the costs of such publication to be paid by Ohio County Public Service District."

Thereafter, on the 31st day of August, 1964 at 7:00 o'clock p.m. the County Court of Ohio County expanded the time for such hearing to the 14th day of September, 1964, at 7:00 o'clock p. m.

The Clerk of this County Court is hereby directed to cause notice of such hearing and the time and place thereof and a description of all territory proposed to be included within Ohio County Public Service District by publication one time of this entire order in a newspaper of general circulation published in Brooke County at least ten days prior to said hearing date, the costs of such publication to be paid by Ohio County Public Service District, and said Clerk is further directed to mail a certified copy of this order and resolution to the County Court of Ohio County.

The Court ordered that a legal notice be published in the Wellsburg Daily Herald in the September 4, 1964 issue notifying the public of a hearing to be held before the Ohio County Court in Wheeling, at the Court-house on September 14, 1964 at 7:00 P. M.

BEFORE THE COUNTY COMMISSION
OF OHIO COUNTY, WEST VIRGINIA

IN THE MATTER OF ENLARGING
OHIO COUNTY PUBLIC SERVICE
DISTRICT INTO BROOKE COUNTY

ORDER AND RESOLUTION

WHEREAS, the Public Service Board of the Ohio County Public Service District has requested the Ohio County Commission for an order amending the description of and expanding the territorial boundaries of the District, in order that the District could lawfully provide sewer service to the portion of Brooke County hereinafter described; and

WHEREAS, the Ohio County Commission has determined to grant such request, and upon its own motion proposes to amend and expand said boundaries as requested;

BE IT ACCORDINGLY ORDERED AND RESOLVED by the County Commission of Ohio County, West Virginia, that said Commission does hereby propose upon its own motion to amend the description of and expand the boundaries of the Ohio County Public Service District to include the following described territory situate in Buffalo District, Brooke County, West Virginia:

Beginning at the intersection of the centerline of Short Creek Road (Ohio County Route 1) with the boundary line separating Ohio County and Brooke County, West Virginia; thence following said centerline of Short Creek Road in a northerly direction Eight Hundred (800) feet, more or less, to its intersection with the centerline of Girty's Point Road (Brooke County Route 2/2); thence following said centerline of Girty's Point Road in a northerly, then easterly direction Fourteen Thousand Six Hundred and Eighty (14,680) feet, more or less, to the intersection of the centerline of Girty's Point Road with the boundary line between Ohio County and Brooke County, West Virginia; thence with said boundary line in a westerly direction Eleven Thousand (11,000) feet, more or less, to the intersection of said boundary line with the waters of Short Creek; thence with the waters of Short Creek in a northerly direction One Thousand Eight Hundred and Eighty (1,880) feet, more or less, to the place of beginning.

I, GREGORY L. STEWART, DO HEREBY CERTIFY THAT THE INFORMATION ATTACHED IS A TRUE AND EXACT COPY OF THE ORIGINAL ORDER AND RESOLUTION DATED THE 7TH DAY OF DECEMBER, 1994, SIGNED BY THE OHIO COUNTY COMMISSIONERS, PROPOSING THE EXPANSION OF THE OHIO COUNTY PUBLIC SERVICE DISTRICT INTO BROOKE COUNTY.



GREGORY L. STEWART
ADMINISTRATOR, OHIO COUNTY

IT IS FURTHER ORDERED AND RESOLVED that the County Commission of Ohio County hereby fixes the 4th day of January, 1995, said date being not more than forty (40) and not less than twenty (20) days from the date of entry of this order, for a public hearing before the Ohio County Commission upon the said amendment and expansion of the boundaries of the Ohio County Public Service District, said hearing to be held in the meeting room of the Ohio County Commission at 9:00 o'clock a.m.

The County Commission hereby directs that a certified copy of this order be delivered to the County Commission of Brooke County, West Virginia, by certified mail, in order to notify said County Commission of the entry of this order and the date, place and time of the public hearing. This Commission further directs that notice be given of the public hearing and the time and place thereof, and setting forth a description of all the territory proposed to be included therein, by publishing this order one time in a newspaper of general circulation published in Ohio County at least ten (10) days prior to the date of the hearing, the cost of such publication to be paid by the Ohio County Public Service District, and by posting a copy of this order in at least five (5) conspicuous places in the territory proposed to be included in the District at least ten (10) days before the date of the public hearing.

ENTERED this 7th day of December, 1994.

John E. Zaher
W. G. Miller
Arthur L. Krizan

BEFORE THE COUNTY COMMISSION
OF OHIO COUNTY, WEST VIRGINIA

IN THE MATTER OF ENLARGING
OHIO COUNTY PUBLIC SERVICE
DISTRICT INTO BROOKE COUNTY

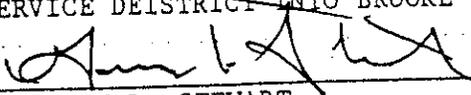
ORDER

On the 4th day of January, 1995, at a session of the Commission duly called and at which all of the Commissioners were present, the Commission conducted a public hearing in the Ohio County Commission Hearing Room at the Ohio County Courthouse in Wheeling, West Virginia, commencing at 9:00 o'clock a.m., to consider and determine the feasibility of the following proposal, which proposal was made by the Commission on its own motion by order duly adopted and entered on December 7, 1994:

That Ohio County Public Service District, a public corporation and political subdivision of the State of West Virginia which was heretofore created for the purpose of supplying water and sewer services within its existing territory be enlarged to include and embrace the additional territory as hereinbelow described for the purpose of supplying sewer service to such territory:

Beginning at the intersection of the centerline of Short Creek Road (Ohio County Route 1) with the boundary line separating Ohio County and Brooke County, West Virginia; thence following said centerline of Short Creek Road in a northerly direction Eight Hundred (800) feet, more or less, to its intersection with the centerline of Girty's Point Road (Brooke County Route 2/2); thence following said centerline of Girty's Point Road in a northerly, then easterly direction Fourteen Thousand Six Hundred and Eighty (14,680) feet, more or less, to the intersection of the centerline of Girty's Point Road with the boundary line between Ohio County and Brooke County, West Virginia; thence with said boundary line in a westerly direction Eleven Thousand (11,000) feet, more or less, to the intersection of said boundary line with the waters of Short Creek; thence with the waters of Short Creek in a northerly

I, GREGORY L. STEWART, DO HEREBY CERTIFY THAT THE INFORMATION ATTACHED IS A TRUE AND EXACT COPY OF THE ORIGINAL ORDER DATED THE 4TH DAY OF JANUARY, 1995, SIGNED BY COMMISSION PRESIDENT, DAVID J. SIMS, EXPANDING THE OHIO COUNTY PUBLIC SERVICE DISTRICT INTO BROOKE COUNTY.


GREGORY L. STEWART
ADMINISTRATOR, OHIO COUNTY

direction One Thousand Eight Hundred and Eighty (1,880) feet, more or less, to the place of beginning.

THEREUPON came Edwin K. Clifford, a citizen of Ohio County, West Virginia, who tendered to the Commission for filing the affidavit of Bonnie Mattern for the publisher of the Wheeling Intelligencer, of the publication of notice that this hearing would be held at this time and place, and as well he tendered for filing his own affidavit stating that he had posted said Notice as required by law. Said affidavits were thereupon ORDERED filed by the Commission. And the Commission then proceeded to hear and consider the comments of all of the persons in attendance, affording all of them the opportunity to be heard with respect to said proposal made by the Commission.

And after hearing the arguments in favor of said motion and finding that there was no opposition thereto, the Commission does make the following findings of fact:

1. That the Clerk of the Commission caused notice of said hearing and the time and place thereof, and setting forth a description of the additional territory proposed for inclusion in Ohio County Public Service District, to be published in the Wheeling Intelligencer, a qualified newspaper of general circulation in Ohio County, West Virginia, on December 22, 1994, being more than ten days prior to said hearing.

2. That more than ten days prior to said hearing, there was posted in at least five conspicuous places in the said territory proposed for inclusion in said District a notice containing the same information as was contained in the notice published on December 22, 1994.

3. That affidavits filed heretofore, of the publication and posting of said notice were duly made by Bonnie Mattern for the publisher of the said Wheeling Intelligencer and Edwin K. Clifford both under oath, containing a copy of said notice as published and posted, all in accordance with

Chapter 59, Article 3, Section 4, of the Code of West Virginia of 1931, as amended.

4. That at said hearing on January 4, 1994, which was conducted not more than forty days and not less than twenty days from the date of the said Motion of the Commission making the aforesaid proposals and fixing said date for said hearing, no oral or written protest was made or filed by any person or persons to the aforesaid proposals.

5. That the enlargement of Ohio County Public Service District to include and embrace the additional territory set forth and hereinbefore described, within both its existing territory and said additional territory, and to include the construction or acquisition by purchase or otherwise, and the maintenance, operation, improvement, and extension of, public service properties supplying such sewer services, will be conducive to the preservation of public health, comfort and convenience of the existing territory of said District, will be conducive to the preservation of public health, comfort, and convenience of the additional territory proposed for inclusion in said District, and will be conducive to the preservation of public health, comfort, and convenience of said existing and additional territories combined.

6. That it is necessary, feasible, and proper to carry into effect said proposal made by the Commission by its said Motion duly adopted and made on December 7, 1994.

7. That the description of the additional territory proposed for inclusion in said District as the same are set forth in the said Notice is sufficient to identify the territory embraced therein, and no cities, incorporated towns, or other municipal corporations, and no territory of any other public service district providing sewer services, are included in said territory.

On the motion of Commissioner Arthur L. McKenzie, which was seconded by Commissioner David Sims and unanimously carried, it is accordingly

ADJUDGED and ORDERED by the Commission that Ohio County Public Service District,

a public corporation and political subdivision of the State of West Virginia, be, and it is hereby, enlarged to include and embrace the additional territory hereinbefore set forth and described and that the said Ohio County Public Service District as so enlarged, shall hereby include and embrace all of the territory set forth and described in said paragraph for the purposes of providing sewer services therein; and it is further

ADJUDGED and ORDERED that the said Ohio County Public Service District, as hereinbefore enlarged is hereby invested with and granted all of the rights, powers, and authority conferred by the laws of the State of West Virginia, and particularly by Article 13A of Chapter 16 of the Code of West Virginia of 1931, as amended, upon public service districts created, constituted, established, and organized to furnish and supply both water facilities and services and sewerage facilities and services.

ENTER this 4th day of January, 1995.

COUNTY COMMISSION OF OHIO COUNTY,

By

David J. Sims
President

**BEFORE THE COUNTY COMMISSION
OF BROOKE COUNTY, WEST VIRGINIA**

**IN THE MATTER OF ENLARGING
OHIO COUNTY PUBLIC SERVICE
DISTRICT INTO BROOKE COUNTY**

ORDER AND RESOLUTION

WHEREAS, the Public Service Board of the Ohio County Public Service District has requested the Brooke County Commission for an order amending the description of and expanding the territorial boundaries of the District, in order that the District could lawfully provide sewer service to the portion of Brooke County hereinafter described; and

WHEREAS, the Brooke County Commission has determined to grant such request, and upon its own motion proposes to amend and expand said boundaries as requested;

BE IT ACCORDINGLY ORDERED AND RESOLVED by the County Commission of Brooke County, West Virginia, that said Commission does hereby propose upon its own motion to amend the description of and expand the boundaries of the Ohio County Public Service District to include the following described territory situate in Buffalo District, Brooke County, West Virginia:

Beginning at the intersection of the centerline of Short Creek Road (Ohio County Route 1) with the boundary line separating Ohio County and Brooke County, West Virginia; thence following said centerline of Short Creek Road in a northerly direction Eight Hundred (800) feet, more or less, to its intersection with the centerline of Girty's Point Road (Brooke County Route 2/2); thence following said centerline of Girty's Point Road in a northerly, then easterly direction Fourteen Thousand Six Hundred and Eighty (14,680) feet, more or less, to the intersection of the centerline of Girty's Point Road with the boundary line between Ohio County and Brooke County, West Virginia; thence with said boundary line in a westerly direction Eleven Thousand (11,000) feet, more or less, to the intersection of said boundary line with the waters of Short Creek; thence with the waters of Short Creek in a northerly direction One Thousand Eight Hundred and Eighty (1,880) feet, more or less, to the place of beginning.

IT IS FURTHER ORDERED AND RESOLVED that the County Commission of Brooke County hereby fixes the 1st day of June, 1995, said date being not more than forty (40) and not less than twenty (20) days from the date of entry of this order, for a public hearing before the Brooke County Commission upon the said amendment and expansion of the boundaries of the Ohio County Public Service District, said hearing to be held in the meeting room of the Brooke County Commission at 4:00 o'clock p.m.

The County Commission hereby directs that a certified copy of this order be delivered to the County Commission of Ohio County, West Virginia, by certified mail, in order to notify said County Commission of the entry of this order and the date, place and time of the public hearing. This Commission further directs that notice be given of the public hearing and the time and place thereof, and setting forth a description of all the territory proposed to be included therein, by publishing this order one time in a newspaper of general circulation published in Brooke County at least ten (10) days prior to the date of the hearing, the cost of such publication to be paid by the Ohio County Public Service District, and by posting a copy of this order in at least five (5) conspicuous places in the territory proposed to be included in the District at least ten (10) days before the date of the public hearing.

ENTERED this 11th day of May, 1995.

Daniel L. Alek
Norman A. Schweitzer
Henry Wilson

COUNTY CLERK'S CERTIFICATION

STATE OF WEST VIRGINIA }
County of Brooke, } ss

I, SYLVIA J. BENZO, Clerk of the County Court of Brooke County, the same being a Court of Record, having the custody of the Files, Journals and Records of said County, do certify that the foregoing is a true and accurate copy of Order and Resolution in the matter of enlarging Ohio County Public Service District into Brooke County. Henry A. Wilson having made a motion, seconded by Norman Schwertfeger, and unanimously passed to authorize President Gilchrist, to sign said Order as the same appears of record in my office, in Miscellaneous Orders Book No. 23, Page 235, and I further certify that I have carefully compared the foregoing copy with the original record and that the same is a full and correct transcript thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Court, at Wellsburg, Brook County, West Virginia, this 21st day of August, 19 97.

Sylvia J. Benzo
Clerk County Court, Brooke County, WV

By _____
Deputy



Thereupon came Edwin K. Clifford, General Manager of the Ohio County Public Service District, who tendered to the Commission for filing a copy of the affidavit of Bonnie Mattern for the publisher of The Wheeling Intelligencer, of the publication of notice that this hearing would be held at this time and place, and as well he tendered for filing his own affidavit stating that he had posted said notice as required by law. Said affidavits were thereupon **ORDERED** filed by the Commission.

The Commission then proceeded to hear and consider the comments of all persons in attendance, affording all of them the opportunity to be heard with respect to said proposal made by the Commission. And after hearing the arguments in favor of said motion and finding that there was no opposition thereto, the Commission does make the following findings of fact:

1. That the Clerk of the Commission caused notice of said hearing and the time and place thereof, and setting forth a description of the additional territory proposed for inclusion in Ohio County Public Service District, to be published in The Wheeling Intelligencer, a qualified newspaper of general circulation in Brooke County, West Virginia, on May 19, 1995, being more than ten (10) days prior to said hearing.

2. That more than ten (10) days prior to said hearing, there was posted in at least five (5) conspicuous places in the said territory proposed for inclusion in said District a notice containing the same information as was contained in the notice published on May 19, 1995.

3. That affidavits filed heretofore of the publication and posting of said notice were duly made by Bonnie Mattern for the publisher of the said Wheeling Intelligencer and Edwin K. Clifford, both under oath, containing a copy of said notice as published and posted, all in accordance with Chapter 59, Article 3, Section 4, of the Code of West Virginia of 1931, as amended.

4. That at said hearing on June 1, 1995, which was conducted not more than forty (40) days and not less than twenty (20) days from the date of the said motion of the Commission making

the aforesaid proposals and fixing said date for said hearing, no oral or written protest was made or filed by any person or persons to the aforesaid proposals.

5. That the enlargement of Ohio County Public Service District to include and embrace the additional territory set forth and hereinbefore described, within both its existing territory and said additional territory, and to include the construction or acquisition by purchase or otherwise, and the maintenance, operation, improvement, and extension of, public service properties supplying such sewer services, will be conducive to the preservation of public health, comfort and convenience of the existing territory of said District, will be conducive to the preservation of public health, comfort, and convenience of the additional territory proposed for inclusion in said District, and will be conducive to the preservation of public health, comfort, and convenience of said existing and additional territories combined.

6. That it is necessary, feasible, and proper to carry into effect said proposal made by the Commission by its said motion duly adopted and made on May 11, 1995.

7. That the description of the additional territory proposed for inclusion in said District as the same are set forth in the said notice is sufficient to identify the territory embraced therein, and no cities, incorporated towns or other municipal corporations, and no territory of any other public service district currently providing sewer services, are included in said territory.

On the motion of Commissioner Henry Wilson, which was seconded by Commissioner Norman A. Schwertfeger and unanimously carried, it is accordingly

ADJUDGED and ORDERED by the Commission that Ohio County Public Service District, a public corporation and political subdivision of the State of West Virginia, be, and it is hereby enlarged to include and embrace the additional territory hereinbefore set forth and described, and that the said Ohio County Public Service District as so enlarged, shall hereby include and embrace all

of the territory set forth and described in said paragraph for the purposes of providing sewer services therein; and it is further

ADJUDGED and ORDERED that the said Ohio County Public Service District, as hereinbefore enlarged, is hereby invested with and granted all of the rights, powers, and authority conferred by the laws of the State of West Virginia, and particularly by Article 13A of Chapter 16 of the Code of West Virginia of 1931, as amended, upon public service districts created, constituted, established, and organized to furnish and supply both water facilities and services and sewerage facilities and services.

ENTERED this 1st day of June, 1995.

**COUNTY COMMISSION OF BROOKE
COUNTY,**

By David L. Hilbert
President

BEFORE THE COUNTY COMMISSION OF BROOKE COUNTY, WEST VIRGINIA IN THE MATTER OF ENLARGING OHIO COUNTY PUBLIC SERVICE DISTRICT INTO BROOKE COUNTY PUBLIC SERVICE DISTRICT AND RESOLUTION WHEREAS, the Public Service Board of the Ohio County Public Service District has requested the County Public Service Commission for an order amending the description of and expanding the territorial boundaries of the District, in order that the District could lawfully provide sewer service to the portion of Brooke County hereinafter described; and WHEREAS, the Brooke County Commission, hereinafter determined to grant such request and expand the territorial boundaries as requested, and RESOLVED THAT BE IT ACCORDINGLY ORDERED AND RESOLVED BY THE County Commission of Brooke County, West Virginia, that said Commission does hereby propose upon its own motion to amend the description of and expand the boundaries of the Ohio County Public Service District to include the following described territory situated in Buffalo District, Brooke County, West Virginia: Beginning at the intersection of the centeline of Short Creek Road (Ohio County Route 1) with the boundary line separating Ohio County and Brooke County, West Virginia, thence following said centeline of Short Creek Road in a northerly direction to the intersection with the centeline of Gilty's Point Road (Ohio County Route 221), thence following said centeline of Gilty's Point Road in a northerly direction to the intersection with the centeline of Six Hundred and Fifty Fourteen; thence more or less, to the east and eighty (1,060) feet, more or less, to the intersection of the centeline of Gilty's Point Road and Brooke County; thence westerly, thence with said boundary line 800 feet, more or less, to the intersection of said boundary line with the waters of Short Creek, thence with the waters of Short Creek in a northerly direction; One Thousand Eight Hundred and Eighty (1,880) feet, more or less, to the PLACE OF BEGINNING OF BROOKE COUNTY, WEST VIRGINIA. IT IS FURTHER ORDERED AND RESOLVED THAT THE County Commission of Brooke County, hereby proposes the 1st day of June, 1995, said date being not more than forty (40) and not less than twenty (20) days from the date of entry of this order, for a public hearing before the Brooke County Commission upon the said amendment and expansion to the boundaries of the Ohio County Public Service District, said hearing to be held in the meeting room of the Brooke County Commission at 4:00 p.m. The County Commission hereby directs that a certified copy of this order be delivered to the County Commission of Ohio County, West Virginia, by certified mail, in order to notify said County Commission of the entry of this order and the date, place and time of the public hearing. This Commission further directs that notices be given of the public hearing and the time and place thereof, and setting forth a description of all the territory proposed to be included therein, by publishing such notices in a newspaper of general circulation published in Brooke County at least ten (10) days prior to the date of the hearing, the cost of such publication to be paid by the Ohio County Public Service District, and by posting a copy of this territory proposed to be included in the District at least ten (10) days before the date of the public hearing. Daniel L. Gilchrist, Notary Public, entered this 11th day of May, 1995.

STATE OF WEST VIRGINIA,
COUNTY OF OHIO.

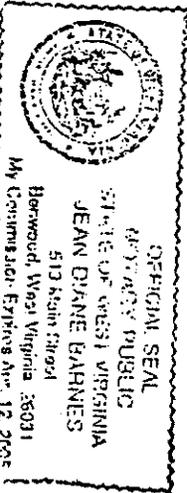
I, Bonnie Matern for the publisher of the
~~WHEELING INTELLIGENCER~~
WHEELING INTELLIGENCER newspapers published in the CITY OF
WHEELING, STATE OF WEST VIRGINIA, hereby certify that the annexed publication
was inserted in said newspaper on the following dates:
May 19, 1995

commencing on the 19 day of May, 19 95
Given under my hand this 23 day of May, 19 95
Bonnie Matern

Sworn to and subscribed before me this 23rd day of
May 19 95 at WHEELING, OHIO COUNTY, WEST
VIRGINIA

Jean Anne Barrow
Notary Public

If, in and for OHIO COUNTY, WEST VIRGINIA,
My Commission expires April 12, 2005



OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
JEAN ANNE BARROW
513 Main Street
Martinsburg, West Virginia 26031
My Commission Expires April 12, 2005

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
10-16-95

Entered: September 26, 1995

CASE NO. 95-0409-PSD-PC

BROOKE COUNTY COMMISSION

Petition to expand boundaries of
Ohio County Public Service District
to provide sewer service in Buffalo
District, Brooke County.

RECOMMENDED DECISION

On May 17, 1995, the Brooke County Commission filed a petition for approval to enlarge the boundaries of the Ohio County Public Service District to provide sewer service to an area in Buffalo District, Brooke County, in accordance with West Virginia Code §16-13A-2.

By Order dated May 26, 1995, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before December 13, 1995.

In a Final Joint Staff Memorandum filed June 22, 1995, Drexel M. Vealey, Esquire, Staff Attorney, along with William A. Nelson, Utilities Financial Analyst, Public Service District Division, explained that the petition filed by the Brooke County Commission is to expand the boundaries of the Ohio County Public Service District to provide sewer service in the Buffalo District of Brooke County. The petition also included a resolution and order adopted by the Ohio County Commission. This resolution was required since a majority of the Ohio County Public Service District's territory is situated in Ohio County. Messrs. Vealey and Nelson explained that this boundary expansion is requested in accordance with the provisions of West Virginia Code §16-13A-2. Both County Commissions had held their required public hearings to address the boundary expansion. Proper publication was made and public hearings were held on the boundary expansion and no protest was made at either hearing held. Both the Ohio and Brooke County Commissions adopted orders enlarging the District's boundaries by the metes and bounds description stated in the orders. In concluding their Memorandum, Messrs. Vealey and Nelson recommended that the Ohio County Public Service District's boundaries be expanded to permit it to provide sewer service to the Buffalo District of Brooke County, and that a hearing, as required by West Virginia Code §16-13A-2, be scheduled for these proceedings.

CONCLUSION OF LAW

The Administrative Law Judge is of the opinion and finds that, since a public hearing was held in Brooke County, in accordance with the provisions of West Virginia Code §16-13A-2, on the petition filed by the Brooke County Commission, and no one appeared at the hearing to protest the petition, said petition can be approved as an unprotested case.

ORDER

IT IS, THEREFORE, ORDERED that the petition of the Brooke County Commission, filed on May 17, 1995, to enlarge the boundaries of the Ohio County Public Service District to provide sewer service in the Buffalo District, Brooke County, be, and the same hereby is, granted and the Brooke County Commission Order dated May 11, 1995, be, and it hereby is, approved.

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

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

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

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



Robert W. Glass
Administrative Law Judge

RWG:pst

BEFORE THE COUNTY COMMISSION
OF OHIO COUNTY, WEST VIRGINIA

IN THE MATTER OF ENLARGING)
OHIO COUNTY PUBLIC SERVICE)
DISTRICT TO INCLUDE VILLAGE)
OF VALLEY GROVE)

ORDER AND RESOLUTION

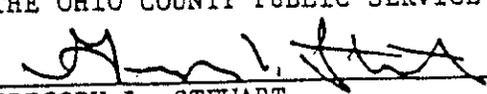
WHEREAS, the Ohio County Public Service District was created by the Ohio County Commission on November 17, 1958, to include all of Ohio County which, as of the date of the creation of the District, was not within the corporate boundaries of any incorporated city, town or village; and

WHEREAS, the Village of Valley Grove was incorporated in 1951, and, therefore, the territory of said municipality is not within the territory of the Ohio County Public Service District; and

WHEREAS, the Village of Valley Grove desires to have the Ohio County Public Service District construct, maintain, and operate a sanitary sewer system within the corporate limits of the Village in order to serve the residents thereof; and

WHEREAS, the Village of Valley Grove has adopted a resolution consenting to the inclusion of the territory located within the corporate limits of the Village into the territory of the Ohio County Public Service District and requesting the Ohio County Commission to enlarge the territory of the Ohio County Public Service District to include the territory of the Village of Valley Grove, a copy of which resolution is attached hereto; and

GREGORY L. STEWART, DO HEREBY CERTIFY THAT THE INFORMATION ATTACHED IS A TRUE AND EXACT COPY OF THE ORIGINAL ORDER AND RESOLUTION SIGNED BY THE OHIO COUNTY COMMISSIONERS ON THE 5TH DAY OF JUNE, 1996 PROPOSING THE EXPANSION OF THE OHIO COUNTY PUBLIC SERVICE DISTRICT TO INCLUDE THE VILLAGE OF VALLEY GROVE.



GREGORY L. STEWART

WHEREAS, the Public Service Board of the Ohio County Public Service District has requested the Ohio County Commission for an order amending the description of and expanding the territorial boundaries of the District, in order that the District could lawfully provide sewer service to the Village of Valley Grove; and

WHEREAS, the Ohio County Commission has determined to grant such request, and upon its own motion proposes to amend and expand said boundaries as requested;

BE IT ACCORDINGLY ORDERED AND RESOLVED by the County Commission of Ohio County, West Virginia, that said Commission does hereby propose upon its own motion to amend the description of and expand the boundaries of the sewer service territory of the Ohio County Public Service District to include all territory situate within the corporate boundaries of the Village of Valley Grove, Ohio County, West Virginia.

IT IS FURTHER ORDERED AND RESOLVED that the County Commission of Ohio County hereby fixes the 3RD day of July, 1996, said date being not more than forty (40) and not less than twenty (20) days from the date of entry of this Order, for a public hearing before the Ohio County Commission upon the said amendment and expansion of the boundaries of the Ohio County Public Service District, said hearing to be held in the meeting room of the Ohio County Commission at 9:00 o'clock a.m.

This Commission further directs that notice be given of the public hearing and the time and place thereof, and setting forth a description of all the territory proposed to be included therein, by publishing this Order one time in a newspaper of general circulation published in Ohio County at least ten (10) days prior to the date of the hearing, the cost of

such publication to be paid by the Ohio County Public Service District, and by posting a copy of this Order in at least five (5) conspicuous places in the territory proposed to be included in the District at least ten (10) days before the date of the public hearing.

ENTERED this 5th day of June, 1996.

David J. Sims

Arthur L. Ponzio

W. G. Miller

COMMISSIONERS

BEFORE THE COUNTY COMMISSION
OF OHIO COUNTY, WEST VIRGINIA

IN THE MATTER OF ENLARGING
OHIO COUNTY PUBLIC SERVICE
TO INCLUDE THE VILLAGE OF
VALLEY GROVE

ORDER

On the 7th day of July, 1996, at a session of the Commission duly called and at which all of the Commissioners were present, the Commission conducted a public hearing in the Ohio County Commission Hearing Room at the Ohio County Courthouse in Wheeling, West Virginia, commencing at 9:00 o'clock a.m., to consider and determine the feasibility of the following proposal, which proposal was made by the Commission on its own motion by order duly adopted and entered on June 5, 1996:

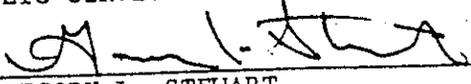
WHEREAS, the Ohio County Public Service District was created by the Ohio County Commission on November 17, 1958, to include all of Ohio County which, as of the date of the creation of the District, was not within the corporate boundaries of any incorporated city, town or village; and

WHEREAS, the Village of Valley Grove was incorporated in 1951, and, therefore, the territory of said municipality is not within the territory of the Ohio County Public Service District; and

WHEREAS, the Village of Valley Grove desires to have the Ohio County Public Service District construct, maintain, and operate a sanitary sewer system within the corporate limits of the Village in order to serve the residents thereof; and

WHEREAS, the Village of Valley Grove has adopted a resolution consenting to the inclusion of the territory located within the corporate limits of the Village into

GREGORY L. STEWART, DO HEREBY CERTIFY THAT THE INFORMATION ATTACHED IS A TRUE AND EXACT COPY OF THE ORIGINAL ORDER SIGNED BY THE COMMISSION PRESIDENT, DAVID J. SIMS, DATED THE 7TH DAY OF AUGUST, 1996, EXPANDING THE OHIO COUNTY PUBLIC SERVICE DISTRICT TO INCLUDE THE VILLAGE OF VALLEY GROVE:


GREGORY L. STEWART
ADMINISTRATOR, OHIO COUNTY

the territory of the Ohio County Public Service District and requesting the Ohio County Commission to enlarge the territory of the Ohio County Public Service District to include the territory of the Village of Valley Grove, a copy of which resolution is attached hereto; and

WHEREAS, the Public Service Board of the Ohio County Public Service District has requested the Ohio County Commission for an order amending the description of and expanding the territorial boundaries of the District, in order that the District could lawfully provide sewer service to the Village of Valley Grove; and

WHEREAS, the Ohio County Commission has determined to grant such request, and upon its own motion proposes to amend and expand said boundaries as requested;

BE IT ACCORDINGLY ORDERED AND RESOLVED by the County Commission of Ohio County, West Virginia, that said Commission does hereby propose upon its own motion to amend the description of and expand the boundaries of the sewer service territory of the Ohio County Public Service District to include all territory situate within the corporate boundaries of the Village of Valley Grove, Ohio County, West Virginia.

THEREUPON came Edwin K. Clifford, a citizen of Ohio County, West Virginia, who tendered to the Commission for filing the affidavit of Bonnie Mattern for the publisher of the Wheeling Intelligencer, of the publication of notice that this hearing would be held at this time and place, and as well he tendered for filing his own affidavit stating said Notice had been posted as required by law. Said affidavits were thereupon ORDERED filed by the Commission. And the Commission then proceeded to hear and consider the comments of all of the persons in attendance, affording all of them the opportunity to be heard with respect to said proposal made by the Commission.

And after hearing the arguments in favor of said motion and finding that there was no opposition thereto, the Commission does make the following findings of fact:

1. That the Clerk of the Commission caused notice of said hearing and the time and place thereof, and setting forth a description of the additional territory proposed for inclusion in Ohio County Public Service District, to be published in the Wheeling Intelligencer, a qualified newspaper of general circulation in Ohio County, West Virginia, on July 13, 1996, being more than ten days prior to said hearing.

2. That more than ten days prior to said hearing, there was posted in at least five conspicuous places in the said territory proposed for inclusion in said District a notice containing the same information as was contained in the notice published on July 13, 1996.

3. That affidavits filed heretofore, of the publication and posting of said notice were duly made by Bonnie Mattern for the publisher of the said Wheeling Intelligencer and Edwin K. Clifford both under oath, containing a copy of said notice as published and posted, all in accordance with Chapter 59, Article 3, Section 4, of the Code of West Virginia of 1931, as amended.

4. That at said hearing on August 7, 1996, which was conducted not more than forty days and not less than twenty days from the date of the said Motion of the Commission making the aforesaid proposals and fixing said date for said hearing, no oral or written protest was made or filed by any person or persons to the aforesaid proposals.

5. That the enlargement of Ohio County Public Service District to include and embrace the additional territory set forth and hereinbefore described, within both its existing territory and said additional territory, and to include the construction or acquisition by purchase or otherwise, and the maintenance, operation, improvement, and extension of, public service properties supplying such sewer services, will be conducive to the preservation of public health, comfort and convenience of the existing territory of said District, will be conducive to the preservation of public health, comfort,

and convenience of the additional territory proposed for inclusion in said District, and will be conducive to the preservation of public health, comfort, and convenience of said existing and additional territories combined.

6. That it is necessary, feasible, and proper to carry into effect said proposal made by the Commission by its said Motion duly adopted and made on July 3, 1996.

7. That the Village of Valley Grove, acting by and through its duly elected council, has consented in writing to the inclusion of the territory embraced within the boundaries of said Village within the sewer service territory of the Ohio County Public Service District.

On the motion of Commissioner Arthur L. McKenzie, which was seconded by Commissioner David Sims and unanimously carried, it is accordingly

ADJUDGED and ORDERED by the Commission that Ohio County Public Service District, a public corporation and political subdivision of the State of West Virginia, be, and it is hereby, enlarged to include and embrace that property situate within the corporate boundaries of the Village of Valley Grove and that the said Ohio County Public Service District shall hereby include and embrace such territory for the purposes of providing sewer services therein; and it is further

ADJUDGED and ORDERED that the said Ohio County Public Service District, as hereinbefore enlarged is hereby invested with and granted all of the rights, powers, and authority conferred by the laws of the State of West Virginia, and particularly by Article 13A of Chapter 16 of the Code of West Virginia of 1931, as amended, upon public service districts created, constituted, established, and organized to furnish and supply both water facilities and services and sewerage facilities and services.

ENTER this 7th day of August, 1996.

COUNTY COMMISSION OF OHIO COUNTY,

By David J. Sims
President

THE VILLAGE OF VALLEY GROVE

The undersigned, as the duly elected and acting Recorder of the Village of Valley Grove, West Virginia, a municipal corporation existing under and by virtue of the laws of The State of West Virginia, does hereby certify that the following is a true, correct, and complete copy of a resolution adopted by the Council of the Village of Valley Grove at a meeting held on the 8th day of May, 1996, at which meeting a quorum was present, and that such resolution is in full force and effect:

WHEREAS, the Ohio County Public Service District was created by the Ohio County Commission on November 17, 1958, to include all of Ohio County which, as of the date of the creation of the District, was not within the corporate boundaries of any incorporated city, town or village; and

WHEREAS, the Village of Valley Grove was incorporated in 1951, and, therefore, the territory of said municipality is not within the territory of the Ohio County Public Service District; and

WHEREAS, the Village of Valley Grove desires to have the Ohio County Public Service District construct, maintain, and operate a sanitary sewer system within the corporate limits of the Village in order to serve the residents thereof;

NOW, THEREFORE, BE IT RESOLVED, That the Village of Valley Grove hereby consents to the inclusion of the territory located within the corporate limits of the Village into the territory of the Ohio County Public Service District and requests the Ohio County Commission to enlarge the territory of the Ohio County Public Service District to include the territory of the Village of Valley Grove.

IN WITNESS WHEREOF, I have hereunto affixed my signature and seal of the Village of Valley Grove this 8th day of May, 1996.

VILLAGE OF VALLEY GROVE

By: Patty L. Naumann
Recorder

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: January 29, 1997

FINAL

2-18-97

CASE NO. 96-1011-PSD-PC

OHIO COUNTY COMMISSION

Petition for consent and approval to enlarge the area of the Ohio County Public Service District to provide sewer service to include the Village of Valley Grove

RECOMMENDED DECISION

On August 11, 1996, the Ohio County Commission (County) filed a petition for Commission consent and approval of an adjustment to the service boundaries of the Ohio County Public Service District (District). The County proposed enlarging the District's boundaries to include the Village of Valley Grove (Village). The County's petition asserts that the Village requested the boundary modification in order to receive service by the District. Attached to the petition was a copy of a resolution by the Village which consented to being within the District's service boundaries. The petition further stated that the County published the required notice and held a public hearing on the matter. A copy of the affidavit of publication was also attached to the petition.

On September 19, 1996, Staff filed an Initial Joint Staff Memorandum which indicated that the County had substantially complied with W.Va. Code § 16-13A-2. Staff also indicated that it had issued a discovery request to help it determine if the County's petition complied with Rule 6.4 of the Commission's Rules and Regulations for the Government of Public Service Districts. On September 30, 1996, the County responded to the Staff discovery request.

On September 30, 1996, the Commission referred the matter to the Division of Administrative Law Judges. The Commission established a decision due date of March 10, 1997.

On October 16, 1996, Staff filed a Final Joint Staff Memorandum. Staff stated that the County's petition complies with Rule 6.4. Staff further recommended that the County's petition be approved by the Commission.

On January 13, 1997, the matter was set for public hearing in Ohio County pursuant to the requirements of W.Va. Code §16-13A-2. The January 13 Procedural Order required the County Commission to publish notice of the hearing. The notice informed the public that it could file written protests

to the petition or appear at the hearing to make public statements regarding the County's petition to modify the boundaries of the District.

On January 27, 1997, the public hearing was held in Ohio County at Wheeling at the City Council Chambers. John Preston Bailey, Esq., appeared on behalf of the County. J. Joseph Watkins, Esq., appeared on behalf of the Staff of the Commission. No individual appeared to make public statements.

DISCUSSION

The Village currently has no public sewer system. See County Response to Staff Data Request at 2. Residents of the Village currently rely on individual septic systems or discharge directly into the Little Wheeling Creek. Id. The Village has approximately 175 potential sewer customers. Id. The District's nearest sewer line to the Village is located at the bottom of Dixon's Run just below the Village. Id. at 5. Given the relatively small size of the Village, it was deemed to be more financially feasible to have the District provide sewer service. Id. at 6. The Village requested that the County modify the District's boundaries in order to permit the District to serve the Village. The Village formally consented to being included in the District's service territory by enacting a resolution. See Resolution dated May 8, 1996.

The County published appropriate notice and held a public hearing on the matter. See Petition and attached documents. The County petitioned the Commission for its consent and approval pursuant to W.Va. Code §16-13A-2.

After its review, Staff recommended to the Commission on October 16, 1996, that the County's petition be granted. See Staff Ex. 1.

The Commission ordered the County to publish notice of a hearing to be held on January 27, 1997, in Wheeling for the purpose of taking public comment on the County's petition. The County caused the proper notice to be published. See County Ex. 1. The hearing was held and no public comment was offered.

The record demonstrates that it is in the public interest to grant the County's petition. The boundaries of the District should be enlarged to include the Village.

FINDINGS OF FACT

1. On August 11, 1996, the County filed a petition for Commission consent and approval of an adjustment to the service boundaries of the District so that the District's service territory would include the Village.

2. On May 8, 1996, the Village adopted a resolution consenting to the inclusion of the Village in the District's service territory. (See Certified Copy of Resolution).

3. On October 16, 1996, Staff of the Commission recommending granting the County's petition. (See Staff Ex. 1).

4. On January 20, 1997, the County published notice of a public hearing to be held on January 27, 1997, in Wheeling for the purpose of taking public comment. (See County Ex. 1).

5. A hearing was held on January 27, 1997 at City Council Chambers in Wheeling, Ohio County. (See Transcript generally).

6. No member of the public appeared to make comment regarding the County's petition. (See Transcript generally).

CONCLUSIONS OF LAW

1. The County has complied with the requirements of W.Va. Code §16-13A-2 in its actions related to enlarging the boundaries of the District.

2. The County has complied with the requirements of Rule 6.4 of the Commission's Rules and Regulations for the Government of Public Service Districts.

3. Expanding the District's boundaries to enable it to provide sewer service to the Village of Valley Grove is in the public interest.

4. The County Commission's August 7, 1996 order adjusting the boundaries of the Ohio County Public Service District should be approved.

ORDER

IT IS, THEREFORE, ORDERED that the August 7, 1996 order of the Ohio County Commission enlarging the Ohio County Public Service District to include the Village of Valley Grove is hereby approved.

IT IS FURTHER ORDERED that the Executive Secretary serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

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

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

Any party may request a waiver of the right to file exceptions to an Administrative Law Judge's order by filing an appropriate petition in writing with the Executive Secretary. No such waiver will be effective until

approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

K. A. George

Keith A. George
Administrative Law Judge

KAG:s

OHIO COUNTY COMMISSION

The Ohio County Commission met in a regular session on Wednesday, January 15, 1997 at 4:00 p.m.

Present at the meeting were Commission President Art McKenzie, Commissioner David J. Sims, Commissioner Tim McCormick, Solicitor Landers Bonenberger, Administrator Greg Stewart and Administrative Assistant Janet Cunningham.

Commissioner McKenzie called the meeting to order. A silent moment was observed followed by the Pledge of Allegiance.

Commissioner Sims made a motion to approve the minutes from the January 2, 1997 meeting. Commissioner McCormick second. Motion approved with all voting in favor.

Commissioner Board Appointments - Mr. Stewart provided a copy of the positions that needed to be filled by the County Commissioners. Commissioner McCormick made a motion that the positions of each Commissioner be accepted as submitted. Commissioner Sims second. Motion carried with all voting in favor. Commissioner McKenzie suggested that the Administrator write a letter to each committee to indicate which Commissioner is now on their board.

✓ Ohio County Public Service District Appointment - Commissioner McCormick made a motion to reappoint James Boyd to the Ohio County Public Service District for a four year term. Commissioner Sims second. Motion carried with all voting in favor.

Northern Panhandle RC&D Council Appointment - Mr. Stewart submitted a copy of the entire committee to the Commissioners. C. J. Reinacher is currently on the board and his term expired December, 1996. The RC&D Council is the Resource Conservation & Development Council. They are a spin-off board of the Northern Panhandle Soil Conservation District of which federal monies flow through from the State to the local districts. Commissioner Sims made a motion to reappoint C. J. Reinacher to the board. Commissioner McCormick second. Motion carried with all voting in favor.

Home Consortium - Committee Representative - Mr. Stewart noted that Perry Galloway has been unable to attend many of the meetings possibly because of a conflict in his work schedule. The committee has asked the Commission to fill that position. Lisa Badia and William Dean are currently on that board. This is a loan program for housing rehab. Commissioner Sims suggested a person who is in the construction business. He made a motion to table this issue until the next meeting so that the Commission has time to review who they may want to appoint. Commissioner McCormick second. Motion carried with all voting in favor.

Employee Handbook - Residency Language - Mr. Stewart provided a copy of a draft of Residency Requirement for the Employee Handbook. It will be Section 5.1 of the Handbook titled Residency Requirements. Included in this draft :

GREGORY L. STEWART, DO HEREBY CERTIFY THAT THE INFORMATION ATTACHED IS A TRUE AND EXACT COPY OF THE ORIGINAL MINUTED OF THE OHIO COUNTY COMMISSION DATED JANUARY 15, 1997 WHEN THE COMMISSION REAPPOINTED JAMES BOYD TO HIS CURRENT TERM ON THE OHIO COUNTY PUBLIC SERVICE DISTRICT BOARD.

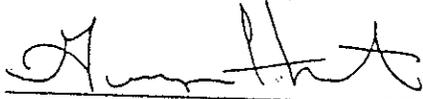

GREGORY L. STEWART
ADMINISTRATOR, OHIO COUNTY

train them or if there are correctional officers out there looking for jobs who are trained but just need certified. Commissioner McKenzie thought that with the four correctional officers that we now have, we could open and operate the jail and this other correctional officer could work while he is waiting for training. There is no reason to put off opening the holding facility at the jail for a period of 60 days. Chester Kloss asked if the correctional officers have to take a civil service exam prior to being hired and is there an eligibility list. Commissioner McKenzie stated that there is not one at the present time but there should be. It is a civil service test and it should be run exactly the way the police department and the deputy sheriff's are. Every two years, a test should be given and a waiting list be established so that you could hire someone immediately. It is required that it be advertised for 30 days, a test be given, tests graded, hire the person and then they are trained. He suggested to open the jail on February 1, 1997 with the four correctional officers and go through the procedure of hiring additional correctional officers. Mr. Bonenberger asked if the new person that the sheriff wants to hire is being hired as a correctional officer. Mr. Stewart noted that he is not currently certified and he would have to be put through that process. Although Mr. Bonenberger is not an expert on civil service when it comes to correctional officers or deputies, it is his understanding that the sheriff was constrained to utilize the eligibility list prepared by the Civil Service Commission. If he is required to do this, then the Commission cannot authorize the Sheriff to hire this person without going through the normal process of the Civil Service Commission creating an eligibility list and from that list, correctional officers being chosen. Commissioner McKenzie said that in order to hire him as a correctional officer, he must take the correctional officer's civil service exam. If he is hired now and takes the test later, he may not pass the test. He must be hired from an eligibility list. Mr. Bonenberger said it appears to make sense to him and if this is correct, he does not think the Commission should authorize the Sheriff to hire him, whether he plans to use him as a correctional officer or not. Commissioner McKenzie said that when the civil service tests are graded and the Sheriff wants to hire another correctional officer, the Civil Service Commission submits three names from the top of the list. The Sheriff can pick any one of those three. Commissioner Sims made a motion to not authorize the hiring of this individual but to authorize the Sheriff to fill the fifth correctional officer position with a correctional officer and then to authorize a sixth correctional officer position, so that we'll have six correctional officers. Commissioner McCormick asked if the person had started to work yet. Mr. Stewart said that the original hire date was January 18, 1997. He then received a letter saying that Mr. Stuckey would begin work as soon as January 8, 1997. He is unsure of the exact date of hire. Commissioner McCormick's concern is that we may run into a problem legally if this person left his place of employment to take this position that he thought he had and now doesn't have. Mr. Bonenberger read from a letter from the Sheriff that Mr. Stuckey *was hired as of January 8, 1997 after going through all the proper procedures and he would be a candidate for correctional officer if and when the Civil Service Commission would hold an exam.* He is unsure as to what that means. The question is whether he is eligible to be hired as a correctional officer. He does not know the answer to that but thought that Brann Altmeyer would because he is chairman of the Correctional Officer's Civil Service Board. Commissioner McKenzie said that the only constraints to taking the test is age limits and being able to pass a physical. Of course, it is up to the individual as to how far up on the list they are. Mr. Bonenberger said that we must find out from the Sheriff exactly how he has concluded that Mr. Stuckey was hired after going through all the proper procedures. Commissioner Sims thought that the Sheriff meant by proper procedures is that he followed the Handbook procedures. Mr. Bonenberger said that if the Civil Service Commission needs to create a list, then

The next regular meeting will be on February 5, 1997 at 9:00 a.m. Board of Review will begin on Monday, February 3, 1997. Commissioner Sims made a motion to adjourn. Commissioner McCormick second. Motion carried with all voting in favor.



Arthur L. McKenzie
Commission President



Gregory L. Stewart
County Administrator

OHIO COUNTY COMMISSION

The Ohio County Commission met in a regular session on Wednesday, February 5, 1997 at 9:00 a.m.

Present at the meeting were Commission President Art McKenzie, Commissioner David J. Sims, Commissioner Tim McCormick, Solicitor Landers Bonenberger, Administrator Greg Stewart and Administrative Assistant Janet Cunningham.

Commissioner McKenzie called the meeting to order. A silent moment was observed followed by the Pledge of Allegiance.

Commissioner Sims made a motion to approve the minutes from the January 15, 1997 meeting. Commissioner McCormick second. Motion approved with all voting in favor.

Civil Service for Correctional Officers - Commission Appointment - Mr. Stewart noted that the Civil Service Board for Correctional Officers consists of five members. Mr. Edgar A. Poe asked that he be replaced on that board. It is required that no more than three members of the same political party be appointed. Currently, we have two democrats and two republicans. Commissioner McKenzie made a motion to appoint Marty Maness who stated that he will be more than happy to serve on that board. Commissioner Sims second. Motion carried with all voting in favor.

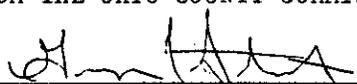
Home Consortium - Commission Appointment - Mr. Stewart stated that since Mr. Galloway has been unable to attend the meetings, mostly because they are held through the day, the Commission must designate another person. Commissioner Sims made a motion to appoint Pat Morrison to the board since she is from the East Wheeling area and that is one of the main areas that will be affected. Commissioner McCormick second. Motion carried with all voting in favor.

Home Consortium - Public Hearing Date - Mr. Stewart said that as part of the process, HUD requires that each of the local entities involved hold a public hearing now that the plans have been developed. He suggested that the hearing be held on March 5, 1997 during the Commission meeting. It will be advertised and opened up for public comment. Commissioner Sims made a motion to hold the public hearing on March 5, 1997. Commissioner McCormick second. Motion carried with all voting in favor.

Wheeling National Heritage Area Corp - Commission Appointment - Mr. Stewart provided the Commission with a copy of the committee that makes up that board. The Commission has one designee. Currently, it is Jack Fahey whose term has expired. Commissioner McCormick made a motion to reappoint Mr. Fahey, who has expressed an interest to remain on that committee. Commissioner McKenzie second. Motion carried with all voting in favor.

Budget Revisions - Sheriff's Department - Mr. Stewart has received a request from the Sheriff's Department to transfer \$1000.00 from the Law Enforcement travel line item to the Tax Office training and education line item for the upcoming County Association meeting in Charleston.

THIS IS TO CERTIFY THAT THIS IS A TRUE AND EXACT COPY OF
THE ORIGINAL MINUTES FROM THE OHIO COUNTY COMMISSION MEETING
OF FEBRUARY 5, 1997.



GREGORY L. STEWART, ADMINISTRATOR

Commissioner Sims said that if deputies are being sent for training and education, they should be sent to training and education programs. The meeting that is scheduled in March is not a training and education program. Mr. Stewart noted that there is a mandatory training session that comes later in the summer for each of the departments. Commissioner Sims suggested that the money be appropriated to send them to that training session. He asked if there would be sufficient monies for training for the new deputies that will be hired. Mr. Stewart received a letter from the Sheriff noting that the two new hires will not make it to the academy until after July 1, at which time there will be sufficient money in next year's budget.

Budget Revisions - Circuit Clerk's Office - Mr. Stewart was notified by Lin Humphries that her office is once again having problems with the rolling files. One of the files is broken and must be manually turned. It does not seem to be repairable unless an outfit from out of town is brought in which will be costly. She has money within her department and if it is moved to the appropriate line items, she can buy the shelving unit that she proposed at budget time without the Commission granting additional money. After reviewing a prepared breakdown sheet of all the line items that she wanted moved around, Commissioner Sims made a motion to approve the change in line items to permit the Circuit Clerk to purchase the new manual shelving unit and the other matters will be taken up at budget time. Commissioner McCormick second. Motion carried with all voting in favor.

STAFF REPORTS

Mr. Stewart mentioned that two holidays are coming up in February. They are February 12, which is Lincoln's Birthday and February 17, which is Washington's Birthday.

✓ Mr. Stewart clarified the expiration term of OCPD member, James Boyd. That term is for six years and not four as previously stated.

Mr. Stewart received correspondence from the Sheriff regarding the process server. He would like the funds to remain in that department until the civilian position is replaced with a deputy. It will remain there approximately two more months. The Commission had already approved that the money to be transferred.

Mr. Tominack stated that at a bankruptcy hearing held on January 21, 1997, he successfully bid on equipment that can be utilized at the airport. He placed a bid of \$5000.00 for two fuel trucks, office equipment, and tow bars. He appeared before the Commission previously and received tentative approval. He is now asking for a formal approval of that bid. Commissioner McCormick made a motion that the necessary funds for the bid be approved from the Capital Improvement Fund. Commissioner Sims second. Motion carried with all voting in favor.

Mr. Tominack noted that for the past two years, he has been attempting to solicit an organization in Corpus Christi, Texas that has an air race classic, which is a national women's talent organization that flies annually. This year, Wheeling will be one of the stops on their cross country route with approximately 100 women pilots involved. There should be good community promotion

of it through their national program. The date is June 24 through June 27. The race starts in Boise, Idaho and Wheeling will be the next to the last stop. The public is invited to come and take part.

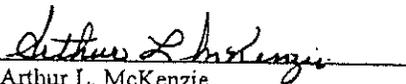
REVIEW OF EXONERATIONS

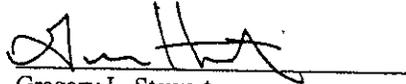
Mr. Stewart submitted the following exonerations to the Commission: #340, #342, #343, #344, #345, #348, #349, #350. Commissioner Sims made a motion to approve the exonerations as submitted. Commissioner McCormick second. Motion carried with all voting in favor.

COMMISSIONER'S COMMENTS

Commissioner McCormick was contacted by Craig O'Leary, an employee of AEP. He has been very active in developing a Wheeling Celtic Celebration. There will be a celebration with dual sponsorship with the Artisan Center on March 8 and March 9. The third floor of the Artisan Center will be transformed into an Irish pub atmosphere with vendors and entertainment. He requested that Mr. Stewart draw up a proclamation for them to be included in their program and asked the Commission for their support and/or sponsorship by purchasing an ad. Commissioner Sims made a motion to approve an expenditure of \$50.00 from this current year's hotel/motel budget for a half page ad in the program in support of the festival. Commissioner McKenzie second. Motion carried with all voting in favor.

The next regular meeting will be on February 19, 1997 at 9:00 a.m. Commissioner Sims made a motion to adjourn. Commissioner McCormick second. Motion carried with all voting in favor.


Arthur L. McKenzie
Commission President


Gregory L. Stewart
County Administrator

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OHIO COUNTY COMMISSION

The Ohio County Commission met in a regular session on Wednesday, January 3, 2000 at 4:00 p.m.

Present at the meeting were Commission President David J. Sims, Commissioner Tim McCormick, Commissioner Randy Wharton, County Administrator Greg Stewart, Solicitor Landers Bonenberger and Administrative Assistant Sara Bowman.

Commissioner McCormick made a motion to approve the minutes from the December 20, 2000 meeting. Commissioner Wharton second. Motion carried with all voting in favor.

ELECTION OF OFFICERS - Mr. Stewart said that in accordance with the WV Code 7-1-1, the County Commission annually elects the President and typically Ohio County has also elected a Vice President. Commissioner Wharton nominated Commissioner McCormick to serve as President of the Ohio County Commission. Commissioner Sims second. Motion carried with all voting in favor. Commissioner Sims relinquished the gavel to Commissioner McCormick to preside over the meeting. Commissioner Sims nominated Commissioner Randy Wharton to serve as Vice President of the Ohio County Commission. Commissioner McCormick second. Motion carried with all voting in favor.

STAFF APPOINTMENTS - Mr. Stewart said that at the first meeting of the calendar year after an election, the Commission approves the appointments of the Administrator, Solicitor, Airport Manager and Dog Warden. Commissioner Sims made a motion to approve Mr. Greg Stewart as County Administrator, Mr. Landers Bonenberger as Solicitor, Mr. Tom Tominack as Airport Manager, and Mr. Doug McCroskey as Dog Warden. Commissioner Wharton second. Motion carried with all voting in favor.

FIDUCIARY COMMISSIONER APPOINTMENTS - Mr. Stewart gave the Commissioners a list of the current Fiduciary Commissioners. He noted that there is partisanship involved. Commissioner Sims said that he had spoke with Mr. Bill Petroplus and he has asked to step aside as Fiduciary Commissioner. Commissioner Sims made a motion to appoint Mr. Jay Byrum as Republican Fiduciary Commissioner to replace Mr. Petroplus. Commissioner Wharton second. Motion carried with all voting in favor. Commissioner Wharton made a motion to reappoint Republican, Mr. Don Nickerson as Fiduciary Commissioner. Commissioner Sims second. Motion carried with all voting in favor. Commissioner McCormick made a motion to appoint Mr. Lou John to replace Mr. Joe John as Democrat Fiduciary Commissioner. Commissioner Wharton second. Motion carried with all voting in favor. Commissioner Sims made a motion to reappoint Mr. Tom McCulloch as Democrat Fiduciary Commissioner. Commissioner Wharton second. Motion carried with all voting in favor. Mr. Stewart said that his office will forward these names to the County Clerk's office to be put on file.

BOARD & COMMITTEE APPOINTMENTS - Mr. Stewart said that the County Commissioners serve on eight boards in the County. Commissioner Sims serves on the OVIBDC, Personnel Advisory Board, and the Ohio County Fire Board. Commissioner McCormick serves on OVRTA, Wheeling Creek Watershed Commission, and Bel-O-Mar. Commissioner Wharton serves on WVU Coop Extention Commission and Workforce Investment Board. Commissioner Sims made a motion that they keep the same Board appointments that are currently in effect. Commissioner Wharton second. Motion carried with all voting in favor. Mr. Stewart said that the Commissioners have open appointments on the Northern Panhandle RC&D, OCPSD, WV EMS Tech. Support Network, and Wheeling Ohio County Board of Health. Commissioner McCormick asked if the current appointees are willing to continue to serve. Mr. Stewart said that with the exception of the Board of Health, they are all willing to serve again. Commissioner Sims made a motion to reappoint C. J. Reinacher (NPRC&D), Robert Luchetti (OCPSD), and Lou Vargo (WVEMS). Commissioner Wharton second. Motion carried ✓

with all voting in favor. Commissioner Wharton made a motion to appoint Cathy Fortunato (Democrat) to the Ohio County Board of Health. Commissioner Sims second. Motion carried with all voting in favor.

AIRPORT LEASE - Mr. Tominack said that there is a new Air Charter Service operating at the Wheeling Ohio County Airport. The new service is Gatewood Transportation. They will provide this service with the approval of their lease by the Ohio County Commission today. Mr. Tominack introduced Mr. Glen Hanson of Gatewood Transportation. Mr. Hanson said that they have been the aircraft business for approximately 4 or 5 years. He said that they are FAA certified. He said that he hoped that this will open up some opportunities for some businesses in the Ohio River Valley. He said that this is basically for businesses that are looking for a one day trip. Mr. Tominack said that they are based out of Parkersburg, WV. Mr. Hanson provided the Commissioners with some of his brochures. Commissioner McCormick asked Mr. Bonenberger if he had reviewed the lease. Mr. Bonenberger said that he had reviewed this lease and recommended some modifications which have been made. Commissioner Sims made a motion to approve the Gatewood Transportation lease. Commissioner Wharton second. Motion carried with all voting in favor.

ADDRESSING CHANGES - Mr. John Tagg reported that there were no addressing changes at this time.

DAY REPORT CENTER - Mr. Stewart provided the Commissioners with a copy of an Intercounty Agreement sent to us by the Chief Probation Officer, Mr. Jim Lee. Mr. Lee had discussed with the Commission at budget time the concept of opening a Day Report Center which will serve as another means of reducing the Jail Bill along with house arrest and community service. At that time he had asked that Hancock, Ohio and Brooke Counties all participate and contribute \$25,000 each and he will match this with a grant for \$150,000. Mr. Lee is working now in getting a satellite office in Weirton 3 and there will also be a satellite office in Wheeling located in one of our building. Mr. Stewart said that we would hope to have our office open by July 1st. Mr. Stewart said that Brooke County has already signed this agreement, and we can assume that Hancock County is going to address this at their meeting to be held tomorrow. Commissioner Sims asked who will be staffing these offices. Mr. Stewart said that the Probation Offices will be utilizing some of their personnel and they are also hiring three to four people. The staff will also have a psychologist on a contract basis. Mr. Stewart said that this will be used by anyone that does not have to be incarcerated, such as, a DUI case. This will be an alternative sentencing program. Commissioner Sims asked if the Prosecutor's Office was familiar with this program. Mr. Scott Smith said that Mr. Jim Lee had held a seminar a few weeks ago and that they were informed then. Sheriff Burgoyne said that the Prosecutor's Office and the Sheriff's Office will become board members of this Center. Commissioner Sims said that this will help reduce our monthly Jail Bill. Mr. Stewart said that he recommends that the money be moved from the Regional Jail line item to this department. Commissioner Wharton made a motion to sign the Intercounty Agreement for the Day Report Center. Commissioner Sims second. Motion carried with all voting in favor.

AEP BUILDING - ROOF REPLACEMENT - Mr. Stewart said that the roof replacement project has moved a little slower than expected because of the extremely cold weather. We have received our second application for payment from the contractor, McKinley and Associates. Commissioner Sims made a motion to approve the second payment to the contractor for the roof replacement on the AEP building. Commissioner Wharton second. Motion carried with all voting in favor.

AEP BUILDING - ASBESTOS BIDS - Mr. Stewart provided the Commissioners with a worksheet and a summary of the five bids that were submitted for the asbestos removal at the AEP building. Mr. Stewart said that there was only one local bidder, Chippewa. He said that if we utilize our 5% local bid preference, Chippewa's bid will be \$11,111. The other bids were Black Ash, \$11,400, LVI, \$12,500, LEPI, \$18,129, and American Contracting, \$34,395. Three of these contractors is from Pennsylvania and one from Ohio. Mr. Stewart said that Chippewa has done work for the City at the

Celeron Plaza and they have gotten very good reviews. Commissioner Sims made a motion to accept the bid by Chippewa for the asbestos abatement at the AEP building. Commissioner Wharton second. Motion carried with all voting in favor.

STAFF REPORTS

Mr. Stewart said that the County offices will be closed, except those required to be open, on Monday, January 15, 2001. This is in observance of Martin Luther King, Jr. Day.

Mr. Stewart said that today is not only our first Commission of the new year, but also Commissioner Sims' 40th birthday.

BILLS TO BE PAID

A copy of the bills to be paid were submitted to the Commission for their approval. Commissioner Sims made a motion to pay the bills as presented. Commissioner Wharton second. Motion carried with all voting in favor.

REVIEW OF EXONERATIONS

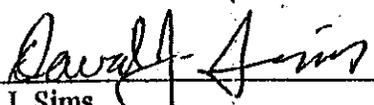
The following exonerations were presented to the Commissioners. Those exonerations were #304, #296, #297, #298, #298, #299, #300, #301, #303, #305, and #306. The Assessor recommended all of these exonerations. Commissioner Sims made a motion to approve the exonerations based upon the recommendation of the Assessor. Commissioner Wharton second. Motion carried with all voting in favor.

COMMISSIONERS COMMENTS

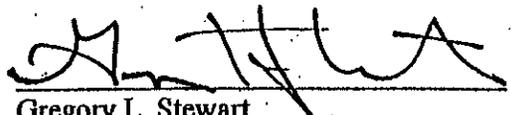
Commissioner McCormick welcomed Sheriff Tom Burgoyne and his Chief Deputy, Pat Butler. He also welcomed the new Prosecutor, Scott Smith. Commissioner McCormick thanked Mr. Lou John for his service to the County Prosecutor's office for the last year. Commissioner McCormick commended him on a job well done.

County Clerk, Chester Kloss said that he felt that the Commissioners should confer with him when appointing Fiduciary Commissioners since he works so closely with them. Commissioner McCormick said that the point is well taken.

There being nothing further to discuss, Commissioner McCormick adjourned the meeting. The next meeting will be held on Thursday, January 18, 2001 at 4 p.m.



David J. Sims
Commission President



Gregory L. Stewart
County Administrator

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OHIO COUNTY COMMISSION

The Ohio County Commission met in a regular session on Wednesday, January 6, 1999 at 3:00 p.m.

Present at the meeting were Commissioner David J. Sims, Commissioner Tim McCormick, Commissioner Randy Wharton, Solicitor Landers Bonenberger, Administrator Greg Stewart and Administrative Assistant Janet Cunningham.

Commissioner Sims called the meeting to order. A silent moment was observed followed by the Pledge of Allegiance.

Commissioner Sims welcomed Commissioner Randy Wharton and Circuit Clerk Brenda Miller, who was also present.

Commissioner McCormick made a motion to approve the minutes from the December 16, 1998 and December 30, 1998 meetings. Commissioner Wharton second. Motion approved with all voting in favor.

Election of Officers - President - Annually, in accordance with WV Code 7-1-1, the County Commission shall elect one of its members as president. Traditionally, this county has also elected a vice-president to serve in the absence of the president. Commissioner McCormick nominated Commissioner Sims as president. Commissioner Wharton second. Motion carried with all voting in favor.

Vice President - Commissioner Wharton nominated Commissioner McCormick as vice president. Commissioner Sims second. Motion carried with all voting in favor.

Staff Appointments - Commissioner McCormick made a motion to reappoint Greg Stewart as the Administrator, Landers Bonenberger as the Solicitor, Tom Tominack as the Airport Manager and Doug McCroskey, Jr. as the Dog Warden. Commissioner Wharton second. Motion carried with all voting in favor.

Fiduciary Commissioner Appointments - Every two years, the Commission appoints Fiduciary Commissioners. There are four positions available. Those positions must be held by attorneys and the political affiliation must be two from each party. Commissioner Wharton made a motion to appoint Tom McCulloch (D), and Donald Nickerson (R). Commissioner McCormick second. Motion carried with all voting in favor. Commissioner McCormick made a motion to reappoint Louis John (D). Commissioner Wharton second. Motion carried with all voting in favor. Commissioner Sims made a motion to reappoint Bill Petroplus (R). Commissioner Wharton second. Motion carried with all voting in favor.

Board and Committee Appointments - The board appointments needed that the Commissioners sit on include OVIBDC, Personnel Advisory Board, Ohio County Fire Board, OVRTA, Wheeling Creek Watershed Commission, Bel-O-Mar, WVU Extension Committee and

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NPPIC. Commissioner Wharton made a motion that the appointments be made as presented which were: OVIBDC, Personnel Advisory Board, Ohio County Fire Board - David Sims
OVRTA, Wheeling Creek Watershed Commission, Bel-O-Mar - Tim McCormick
WVU Extension Commission, NPPIC - Randy Wharton

The Commission appoints other persons to the following boards: Northern Panhandle RC&D, OCPD, Ohio County Solid Waste, WV Route 2 Commission, OVRTA and NPPIC. Commissioner McCormick made a motion to make the following reappointments:

Northern Panhandle RC&D Council:	C.J. Reinacher
OCPD	Daniel Dickinson, Jr.
Ohio County Solid Waste	John Miller
WV Route 2 Commission	Ed Cohen
OVRTA	Donald Sinclair

Commissioner Wharton second. Motion carried with all voting in favor. Regarding the NPPIC appointment, the Chamber of Commerce submitted three names for the available opening. However, none of those people were contacted yet to determine their interest. Commissioner McCormick made a motion to table the NPPIC appointment at this time. Commissioner Wharton second. Motion carried with all voting in favor.

Federal Prison Project - County Development Property - WV Code 7-3-3 deals with conveyance of county property for a public use to the United States of America. Commissioner Sims noted the worst kept secret is that the Commission has been considering conveying the property adjacent to the airport to the Federal Bureau of Prisons as the Commission's intention of support for the Federal Prison Project. Commissioner McCormick made a motion to offer that property to the Federal Bureau of Prisons hopefully to entice them to establish a prison in Ohio County. Commissioner Wharton second. Motion carried with all voting in favor.

Cameron Management Company - Bond Issue Closure - John Gompers appeared on behalf of Cameron Management Co., which is a partnership. This partnership owns the distribution warehouse for Coca-Cola on Fulton Street. In 1982, this partnership entered into a commercial bond project through the Ohio County Commission to build that distribution warehouse. A letter was forwarded to Mr. Stewart from the fiscal agent certifying that the bonds have been paid off. Mr. Gompers presented the Commission with a deed to transfer the real estate from the Ohio County Commission back to the partnership and to cancel the outstanding lease. These documents were also submitted to Mr. Bonenberger who has reviewed them and found them to be in order. Commissioner Wharton made a motion to authorize the President to execute the documents. Commissioner McCormick second. Motion carried with all voting in favor.

Valput Enterprises Commercial Project - Bond Issue Closure - There was a bond issue in 1986 for Valput Enterprises. All financial requirements have been satisfied. In 1991, other deeds and deeds of trust were released and closed. Through some missing part of the process, the deed of trust for the County Commission was never released. Mr. Valput intends to sell that property and has a closing scheduled for next week. He is asking that Mr. Bonenberger prepare a release for that deed of trust so that it can be filed in the County Clerk's Office and the property can be properly transferred. Mr. Bonenberger will prepare the proper document and have it executed and recorded. On counsel's advice, Commissioner McCormick made a motion to authorize the release of the deed

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of trust. Commissioner Wharton second. Motion carried with all voting in favor.

Animal Shelter - Veterinary Services - Earl Forman, President of the Animal Shelter Advisory Committee told the Commission that the committee met in a regular session to discuss a number of items. Pursuant to the Commission's request, the committee reviewed the applications for veterinarian services which were under contract renewal for another six months. Three bids were received. However, the bid from Dr. Schmitt was discounted because it was not specific. The two remaining bids were from Karl Yurko and James Radcliffe, who are both qualified veterinarians. It is the recommendation of the committee to award James Radcliffe with the appointment as he was the low bidder. For budgeting purposes, the Commission will accept the optional bid and not the base bid. Commissioner McCormick made a motion to table this approval of the veterinary bids so that the Commission may review this further. Commissioner Wharton second. Motion carried with all voting in favor.

The Commission has received about 40-50 applications for the part-time positions at the animal shelter. Applications will be received through January 12.

Animal Shelter - Application for Payment No. 6 - McKinley & Associates submitted application for payment #6 which totals \$49,061.52. For all practical purposes, this would be the final payment of the project with the exception of the 10% retaining cost of the incinerator (\$3135.00). The up and running of that equipment is expected to happen approximately February 4-5. Commissioner McCormick made a motion to approve payment #6 for the animal shelter. Commissioner Wharton second. Motion carried with all voting in favor.

Board of Review and Equalization Dates - A calendar was submitted to the Commission marked with dates and also a section of the code regarding the Board of Review and Equalization. In short, the Commission must meet no later than February 1, cannot adjourn for more than three days, cannot adjourn sine die before February 15, which falls on a holiday. The appropriate date would be February 16 this year. The calendar submitted noted the minimum dates which also include a Saturday and an evening. These dates have been reviewed by the Assessor. There were 96 hearings last year. Mr. Kloepfner will schedule informal hearings in his office from January 12 until January 24. He cannot give the Commissioners an approximate amount of hearings until the informal hearings are held. The dates scheduled are February 1, 5, 6, 11, 16 (evening). Dates beyond the 16th can be added, if necessary. Commissioner McCormick made a motion to approve the dates as presented. Commissioner Wharton second. Motion carried with all voting in favor.

Exoneration Form - The Assessor's Office has modified the exoneration form which has added more helpful accurate information. This information will assist everyone in the exoneration process. Mr. Kahle has reviewed this form and given his approval. Commissioner McCormick made a motion to approve the new exoneration form. Commissioner Wharton second. Motion carried with all voting in favor.

Assessor's Office Grant Award - Greg Kloepfner told the Commission that the Assessor's Office is working with separate entities on a new GIS geographic integrated computer mapping system. It was put out to bid and bids back were received totaling about \$90,000. It will be costly but the benefits will assist not only the Assessor's Office but also 911, the County Commission,

prospective developers and the general public. Tammy Ward and Rhonda West applied for a local government start up grant. Formal notice was received that all the requirements were met and the Assessor's Office was awarded \$96,000 of grant money. That will cover the majority of cost and will not have to come from the County funds. The only money needed will be conversion costs. This system has the aerial photos to map each parcel of land and homes in the county. While reviewing property, the Assessor's Office will be taking many of the pictures. Commissioner Sims thanked Mr. Kloeppner and added that he appreciated the money being saved from the county budget. This system will put the county into the future quickly.

Ohio County Board of Education Special Election - Poll Worker List and Paper Ballot Process - The Board of Education has approved a special election for Saturday, February 27, 1999. In administering the election, the Commission must approve two items. The poll worker list is substantially the same list that was utilized the last election. There is also a section of the code that addresses using a paper ballot as opposed to the normal punch ballot system. Since this is a one issue ballot, the paper ballot will be more practical. Also submitted was a calendar of important dates and a copy of the cost of the election, which the school board will finance in full. Commissioner McCormick made a motion to approve the poll worker list. Commissioner Wharton second. Motion carried with all voting in favor. Commissioner McCormick made a motion to approve the paper ballot process. Commissioner Wharton second. Motion carried with all voting in favor.

Correspondence - A letter was submitted by the Sheriff regarding two new hires: Rodney Vaught and Nathaniel Kirby. The Commission President will need to sign the applications for admission for basic training school.

A letter was submitted from Brenda Miller concerning Barbara Wheeler transferring from the Prosecuting Attorney's office to the Circuit Clerk's Office. Another letter was written concerning the chief deputy position in that office. There is a chief deputy position in every other office in the county.

There was response received from Dave Gossett, who is one of the individuals heading up the "Stand Up for Steel" busses. The Commission is sponsoring a bus on January 20. It takes 47 people to fill a bus and the Commission must sign off on the paperwork.

STAFF REPORTS

There is a holiday on Monday, January 18, 1999 which is Martin Luther King's birthday.

BILLS TO BE PAID

Commissioner McCormick made a motion to pay the bills as presented. Commissioner Wharton second. Motion carried with all voting in favor.

REVIEW OF EXONERATIONS

The following exonerations were submitted: #270, #271 and one for Marcella Conti. They were recommended by the Assessor with the exception for Marcella Conti. Ms. Conti filed for homestead exemption but according to Mr. Bonenberger, Ms. Conti filed after the due date. Even though he is sympathetic to Ms. Conti's plight, the code language is clear. On counsel's advice and the Assessor's recommendation, Commissioner McCormick made a motion to approve exoneration #270 & #271 as presented. Commissioner Wharton second. Motion carried with all voting in favor. Commissioner McCormick made a motion to deny the exoneration of Marcella Conti. Commissioner Wharton second. Motion carried with all voting in favor.

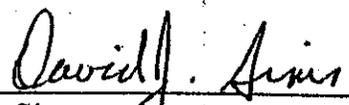
COMMISSIONER'S COMMENTS

Commissioner McCormick welcomed Commissioner Wharton and Circuit Clerk Brenda Miller aboard.

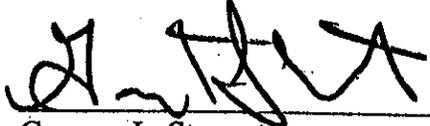
Sheriff Weith congratulated the new Commission and commented on his concern over the past six years. He looks forward to working with this Commission very closely for the good of the citizens of Ohio County.

The next regular meeting is scheduled for Tuesday, January 19, 1999 at 3:00 p.m.

There being nothing further to discuss, Commissioner Sims adjourned the meeting.



David J. Sims
Commission President



Gregory L. Stewart
County Administrator

prospective developers and the general public. Tammy Ward and Rhonda West applied for a local government start up grant. Formal notice was received that all the requirements were met and the Assessor's Office was awarded \$96,000 of grant money. That will cover the majority of cost and will not have to come from the County funds. The only money needed will be conversion costs. This system has the aerial photos to map each parcel of land and homes in the county. While reviewing property, the Assessor's Office will be taking many of the pictures. Commissioner Sims thanked Mr. Kloeppner and added that he appreciated the money being saved from the county budget. This system will put the county into the future quickly.

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STAFF REPORTS

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BILLS TO BE PAID

Commissioner McCormick made a motion to pay the bills as presented. Commissioner Wharton second. Motion carried with all voting in favor.

OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO-WIT:

I do solemnly 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 PUBLIC SERVICE DISTRICT

BOARD OF DIRECTORS

to the best of my skill and judgment, SO HELP ME GOD.

Signature

James C. Pope Jr.

Subscribed and sworn to before me, the undersigned, in said County and State, this 22ND day of JANUARY, 1997.

Lin V. Hunphries

LIN V. HUNPHRIES, CIRCUIT CLERK
for the County of Ohio, at
Wheeling, West Virginia

CERTIFIED TO BE A TRUE AND EXACT
COPY OF THE ORIGINAL

Charles H. Campbell



OATH OF OFFICE AND CERTIFICATE

STATE OF WEST VIRGINIA

COUNTY OF OHIO, TO-WIT:

I DO SOLEMNLY 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 BOARD MEMBER FOR THE OHIO COUNTY PUBLIC SERVICE DISTRICT OF OHIO COUNTY, WEST VIRGINIA, TO THE BEST OF MY SKILL AND JUDGMENT, SO HELP ME GOD.

SIGNATURE Robert T. [Signature]

SUBSCRIBED AND SWORN TO BEFORE ME, THE UNDERSIGNED, IN SAID COUNTY AND STATE, THIS 21st DAY OF MARCH, 2001.



Brenda L. Miller
BRENDA L. MILLER, CIRCUIT CLERK
FOR THE COUNTY OF OHIO, AT
WHEELING, WEST VIRGINIA

OATH OF OFFICE AND CERTIFICATE

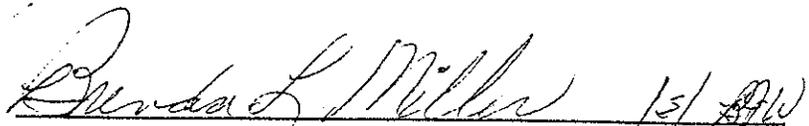
STATE OF WEST VIRGINIA,
COUNTY OF OHIO, TO-WIT:

I DO SOLEMNLY 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 BOARD MEMBER FOR THE OHIO COUNTY PUBLIC SERVICE DISTRICT OF OHIO COUNTY, WEST VIRGINIA, TO THE BEST OF MY SKILL AND JUDGMENT, SO HELP ME GOD.

SIGNATURE



SUBSCRIBED AND SWORN TO BEFORE ME, THE UNDERSIGNED, IN SAID COUNTY AND STATE, THIS 28th DAY OF DECEMBER, 2001.



BRENDA L. MILLER, CIRCUIT CLERK FOR
THE COUNTY OF OHIO, AT WHEELING,
WEST VIRGINIA

CERTIFIED TO BE A TRUE AND EXACT
COPY OF THE ORIGINAL.



RULES OF PROCEDURE

OHIO COUNTY PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: OHIO COUNTY PUBLIC SERVICE DISTRICT

Section 2. The principal office of this Public Service District will be located at 411 National Road, Triadelphia, West Virginia.

Section 3. The Common Seal of the District shall consist of two concentric circles between which circles shall be inscribed Ohio County Public Service District, and in the center "seal" as follows:

Section 4. The fiscal year of the District shall begin the 1st day of July in each year and shall end on the following June 30.

ARTICLE II

PURPOSE

This District is organized exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Public Service Board of this District shall be those persons appointed by The County Commission of Ohio County, West Virginia, or otherwise appointed pursuant to the Act, who shall serve for such terms as may be specified in the order of the County Commission or otherwise.

Section 2. Should any member of the Public Service Board resign or otherwise become legally disqualified to serve as a member of the Public Service Board, the Secretary shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Public Service Board, the Secretary shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter an order of appointment or re-appointment to maintain a fully qualified membership of the Public Service Board.

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the third Thursday of each month 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 Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, two members shall constitute a quorum. Each member of the Public Service 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 waived, notice to members by letter or telephone shall be required for regular meetings. Unless otherwise waived, notice in writing of each special meeting of the membership shall be given to all members by the Secretary by mailing the same to the last known post office addresses of the members at least three (3) days before the date fixed for such meeting. The notice of any special meeting shall state briefly the 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, notice of the time and place of all regularly scheduled sessions of such Public Service Board, and the time, place and purpose of all special

sessions of such Public Service Board, shall be made available, in advance, to the public and news media as follows:

A. A notice shall be posted by the Secretary of the Public Service Board of the Public Service District at the front door of the Ohio County Courthouse and at the front door of the place fixed for the regular meetings of the Public Service Board of the time and place fixed and entered of record by the Public Service Board for the holding of regularly scheduled sessions. If a particular regularly scheduled session is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the front doors of the Courthouse and the meeting place as soon as feasible after such cancellation or postponement has been determined upon.

B. A notice shall be posted by the Secretary of the Public Service Board at the front door to the Ohio County Courthouse and at the front door of the place fixed for the regular meetings of the Public Service Board at least forty-eight hours before a special session is to be held, stating the time, place and purpose for which such special session shall be held. If the special session is cancelled, a notice of such cancellation shall be posted at the front doors of the Courthouse and the meeting place as soon as feasible after such cancellation has been determined upon.

C. The form of notice for posting as to a special session may be generally as follows:

OHIO COUNTY PUBLIC SERVICE DISTRICT

NOTICE OF SPECIAL SESSION

The Public Service Board of Ohio County Public Service District will meet in special session on _____, at _____ .m., prevailing _____ time, at _____, West Virginia, for the following purposes:

1. To consider and act upon a proposed Bond Authorizing Resolution providing for the issuance of a _____ Bond, Series _____, of the District, in the principal amount of \$ _____, to provide

funds for construction of _____
_____ facilities of the District.

2.

Secretary

Date: _____

ARTICLE V

OFFICERS

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

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first meeting held in the month of January of such year. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and qualified. Any vacancy occurring among the officers shall be filled by the members of the Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. He shall, together with the Secretary, sign the minutes of all meetings at which he shall preside. He shall attend generally to the executive business of the Board and exercise such powers as may be conferred upon him by the Board, by these bylaws, or prescribed by law. He 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 Board when and if directed by the members of the Board.

Section 2. If the Chairman is absent from any meeting, the remaining members of the Board shall select a temporary chairman.

Section 3. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. He shall, together with the Chairman, sign the minutes of the meetings at which he is present. The Secretary shall have charge of the minute book, be the custodian of deeds and other writings and papers of the Board. He shall also perform such other duties as he may have under law by virtue of his office or as may be conferred upon him from time to time by the members of the Board.

Section 4. The Treasurer shall be the lawful custodian of all funds of the District and shall pay same out on orders authorized or approved by the 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 Board as the members may from time to time prescribe. He 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 Board.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

These Rules of Procedure may be altered, changed, amended or added to at any regular or special meeting of the Board by a majority vote of the entire 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 or addition shall be made at any special meeting unless notice of the intention to propose such change, alteration, amendment or addition and a clear statement of the substance thereof be included in the written notice calling such meeting.

05/22/86
OHPSD4-G

STATE OF WEST VIRGINIA.
COUNTY OF OHIO.

I Cheryl L Joseph for the publisher
of the Wheeling Intelligencer newspaper published in the
CITY OF WHEELING, STATE OF WEST VIRGINIA, hereby
certify that the annexed publication was inserted in said
newspaper on the following dates:

May 4, 11, 2000

Given under my hand this 24
day of May 2000
Cheryl L Joseph

Sworn to and subscribed before me this 24
day of May 2000 at WHEELING,
OHIO COUNTY, WEST VIRGINIA

Jean Diane Barnes
Notary Public

of, in and for OHIO COUNTY, WEST VIRGINIA.
My Commission expires April 12, 2005

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
Charleston

OHIO COUNTY PUBLIC
SERVICE DISTRICT,
a public corporation.

Application for Certificate of
Convenience and Necessity, Ohio
County, West Virginia.

NOTICE OF PREFILING

The Ohio County Public Service
District hereby gives notice that it
has prefiled with the Public
Service Commission of West
Virginia an application for a cer-
tificate of convenience and
necessity to construct, maintain,
and operate a 1,400 gallon per
minute water pumping station on
Glenn's Run Road in Ohio
County, West Virginia.

The amount of money to be
borrowed in connection with the
Project will not exceed Six
Hundred Thousand Dollars
(\$600,000.00), at a maximum rate
of interest of six percent (6%) per
annum and a term of not less
than fifteen (15) nor more than
forty (40) years.

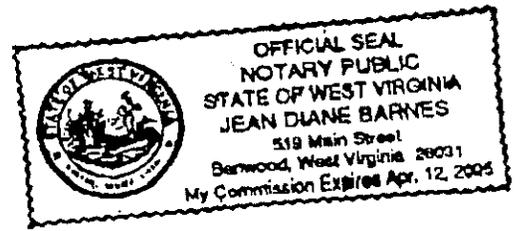
The Project will consist of
approximately the construction
of an 18 foot by 28 foot building
which will house two (2) 300
horsepower pumps on Glenn's
Run Road, together with 1,800
feet of new 12-inch ductile iron
transmission line and 1,700 of
new 2-inch PVC pipe.

The District anticipates no
change in the rates to be charged
to its customers as a result of
this Project.

The formal application for a cer-
tificate of convenience and
necessity will be filed with the
Public Service Commission of
West Virginia on June 5, 2000.

OHIO COUNTY PUBLIC
SERVICE DISTRICT,
a public corporation,
by James C. Boyd, Jr.,
Chairman

Intel., May 4, 11, 2000



The Ohio County Public Service District held a board meeting on January 10, 2002, in the board's meeting room at 411 National Road, Triadelphia, WV. Said meeting convened at 7:30 P.M.

Those in attendance were:

James C. Boyd, Jr., Chairman
Daniel W. Dickinson, Jr., Sec'y/Treas
Robert R. Luchetti, Board Member
Morgan Coast, Engineer
Kerry Marshall, Manager

Mr. Boyd said the minutes had been mailed prior to the meeting and if there were no additions or corrections, the minutes would stand approved as mailed.

After the board's review of the Accounts Payable, Mr. Luchetti motioned to pay the bills and Mr. Boyd seconded the motion. Motion carried. (Water CK# 4707-4750 / Sewer Ck# 2065-2081)

Kerry said we had three line breaks in the Town of Bethany on December 28th. He said we had an 8" line break in Clifton Heights. There was a line break near the West Liberty Fire Dept. on January 7th. Kerry said we had a leak on Middle Creek Road. There was a vacuum leak in Cedar Rocks on January 2nd.

Kerry said Greg Stewart from the County Commission was out and talked about the Fort Henry Project.

Kerry said we purchased a new truck from Whiteside's.

Kerry said he has a crew back in Clinton Hill's with the sewer camera today. Mr. Boyd asked if we were making notes where the crock lines are. Kerry said most of the lines are crock. Mr. Boyd said letters will be mailed out to the customers that have excess water going into the sewer system.

Mr. Boyd said that John Bailey was not present because he had a previous engagement. Mr. Boyd said since the last meeting we have received copies of letters of protest that John has sent to Sandra Squire reviewing the sewer rate increase and various others in regards to the City of Wheeling. He said since then we have received the Order from the Public Service Commission to the City of Wheeling. He said one was for water and the other for sewer.

our inquiry from Cerrone & Associates requesting that Ohio County PSD consider the possibility of receiving sanitary sewage from the Town of Bethany into the OCPSD system at West Liberty. He said in response to this, we have asked V,C & V not to answer any of Cerrone & Associates inquires, to where it would cost OCPSD.

Morgan had the final requisition for the Glens Run Pumping Station. He said he had a Change Order deleting \$750.00 off of the contract for the elbow and the final contract amount with the deletion is \$491,191.35. Morgan said the amount due James White Construction now is \$26,037.97 and \$909.97 for V,C & V. Mr. Luchetti moved to approve the Final Requisition #9 for James White Construction for the Glens Run Pumping Station in the amount of \$26,037.97 and Vaughn, Coast and Vaughn for \$909.97. Mr. Dickinson seconded the motion. Motion carried.

After a lengthily discussion on the sewage for the Fort Henry Project at Dallas Pike, it was decided that at the next board meeting there would be further discussion and the Sewer Use Ordinance will be revised as appropriate.

Morgan said on the water side of the Fort Henry Project we need to know plumbing drawings, meter sizes, back flow valves, sprinkler systems, service taps and etc.

Morgan said James White Construction, as of December 31, 2001, is requesting \$52,172.77 and Vaughn, Coast & Vaughn, Inc. is requesting \$6,885.55 for the I-70 Rest Area Sewage Lift Station and Force Main. Mr. Luchetti moved to pay Requisition 1 for the I-70 Rest Area Sewage Lift Station and Force Main for James White Construction in the amount of \$52,172.77 and Vaughn, Coast & Vaughn for \$6,885.55. Dan Dickinson seconded the motion. Motion carried.

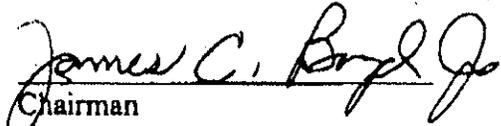
Morgan said Kevin Kaufman had asked about a place for the stand-by generator for the I-70 Rest Area Lift Station. Morgan had a drawing of a small masonry building that would house the generator and also, can put some electrical gear inside the building that was originally outside. Morgan said it includes a transfer switch, fuel tank, block heater and trickle charger.

Morgan said that Elbert Morton from EPA had been at his office for another matter and Elbert said in March he will be contacting Ohio County PSD to put in an application for funding for the West Liberty sewer.

After the Executive Session, the Board moved that wage raises be made to Kelly Patton and Michael Davis as authorized by the board. The Board moved that effective January 1st, 2002, after 2 years of full time service an employee will get 2 extra days of sick leave. Motion carried.

The Organizational Meeting is done the first meeting of each new year. Dan Dickinson motioned to appoint James Boyd as Chairman and Bob Luchetti seconded the motion. Motion carried. Mr. Luchetti motioned to appoint Dan Dickinson as Sec'y/Treas and Jim Boyd seconded the motion. Motion carried. Mr. Boyd motioned for Mr. Luchetti to be Vice-Chairman and Dan Dickinson seconded the motion. Motion carried.

Meeting adjourned.


Chairman


Secretary

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

MINUTES ON ADOPTION OF
BOND RESOLUTION AND SUPPLEMENTAL RESOLUTION

The undersigned, SECRETARY of the Public Service Board of Ohio County Public Service District, hereby certifies that the following is a true and correct excerpt of the minutes of a regular meeting of the said Public Service Board:

The Public Service Board of Ohio County Public Service District met in regular session, pursuant to notice duly posted, on the 23rd day of May, 2002, at the District's Offices, 411 National Road, Triadelphia, Ohio County, West Virginia, at the hour of 7:30 p.m.

PRESENT: James C. Boyd, Jr. - Chairman and Member
Robert R. Luchetti - Member
Dan Dickinson - Secretary/Treasurer

ABSENT: None

James C. Boyd, Jr., Chairman, presided, and Dan Dickinson acted as Secretary.

The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING ACQUISITION OF CERTAIN ADDITIONS, BETTERMENTS, IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC WATERWORKS SYSTEM OF OHIO COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY

THE DISTRICT OF NOT MORE THAN \$528,000 IN AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO THE SERIES 2002 A BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

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

The Chairman then 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 PRICES AND OTHER TERMS OF THE WATER REVENUE BONDS, SERIES 2002 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF OHIO COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE 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, on 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.

Thereupon, the Chairman presented a proposed resolution approving the payment of invoices for the water project from proceeds of the Bonds. Thereupon, a motion duly made and seconded, it was unanimously ordered that the said 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 action of said Public Service Board remains in full force and effect and has not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 30th day of May, 2002.


Secretary

05/17/02
670150.00001

CH499001.1

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

NEW ISSUE REPORT FORM

Date of Report: May 30, 2002

(See Reverse for Instructions)

ISSUE: Ohio County Public Service District Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund)

ADDRESS: P.O. Box 216, Triadelphia, WV 26059 COUNTY: Ohio

PURPOSE OF ISSUE: New Money: X
Refunding: _____ REFUNDS ISSUE(S) DATED: N/A

ISSUE DATE: May 30, 2002 CLOSING DATE: May 30, 2002

ISSUE AMOUNT: \$528,000 RATE: 3%

1ST DEBT SERVICE DUE: December 1, 2002 1ST PRINCIPAL DUE: December 1, 2002

1ST DEBT SERVICE AMOUNT: \$ 8,882.25 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson PLLC
Contact Person: John C. Stump, Esquire
Phone: 353-8196

UNDERWRITERS COUNSEL: Jackson & Kelly PLLC
Contact Person: Samme L. Gee, Esq.
Phone: 340-1318

CLOSING BANK: Wesbanco Elm Grove
Contact Person: Don Jebbia
Phone: (304) 243-7500

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT
Contact Person: Kerry Marshall
Position: General Manager
Phone: (304) 547-5133

OTHER: WV Infrastructure & Jobs Development Council
Contact Person: Katy Mallory, P.E.
Function: Executive Secretary
Phone: 558-4607

DEPOSITS TO MBC AT CLOSE: _____
By: _____ Wire _____
_____ Check _____
Accrued Interest: \$ _____
Capitalized Interest: \$ _____
Reserve Account: \$ _____
Other: \$ _____

REFUNDS & TRANSFERS BY MBC AT CLOSE
By: _____ Wire _____
_____ Check _____
_____ X IGT _____
To Escrow Trustee: \$ _____
To Issuer: \$ _____
To Cons. Invest. Fund: \$ _____
X To Other: Reserve Acct. \$ 35,529 (from S. 1970 Reserve)

NOTES: _____

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

Form **8038-G**

Information Return for Tax-Exempt Governmental Obligations

(Rev. November 2000)

Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name Ohio County Public Service District	2 Issuer's employer identification number 55 0478910	3 Number and street (or P.O. box if mail is not delivered to street address) Post Office Box 216	4 Report number 3 2002-01
5 City, town, or post office, state, and ZIP code Triadelphia, West Virginia 26509	6 Date of issue 05-30-02	7 Name of issue Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund)	8 CUSIP number N/A
9 Name and title of officer or legal representative whom the IRS may call for more information John C. Stump, Esquire	10 Telephone number of officer or legal representative (304) 353.8196		

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule	
11 <input type="checkbox"/> Education	11
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input checked="" type="checkbox"/> Environment (including sewage bonds)	15 528,000.00
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input type="checkbox"/> Other. Describe	18
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 June 1, 2022	\$ 528,000.00	\$ 8,816.13	11.219 years	3.0118747 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)				
22 Proceeds used for accrued interest	22	-0-		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	528,000.00		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	-0-		
25 Proceeds used for credit enhancement	25	-0-		
26 Proceeds allocated to reasonably required reserve or replacement fund	26	-0-		
27 Proceeds used to currently refund prior issues	27	-0-		
28 Proceeds used to advance refund prior issues	28	-0-		
29 Total (add lines 24 through 28)	29	-0-		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	528,000.00		

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	N/A years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	N/A years
33 Enter the last date on which the refunded bonds will be called	N/A
34 Enter the date(s) the refunded bonds were issued	N/A

Part VI Miscellaneous	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35 -0-
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a -0-
b Enter the final maturity date of the guaranteed investment contract	-0-
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a -0-
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input checked="" type="checkbox"/> and enter the name of the issuer See Schedule A and the date of the issue	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

James C. Boyd, Jr.
Signature of issuer's authorized representative

5/23/02
Date

James C. Boyd, Jr., Chairman
Type or print name and title



SCHEDULE A

1. \$98,000.00 - West Virginia Water Development Authority - October 26, 2000.
2. \$430,000.00 - State of West Virginia - March 11, 1998.

05/13/02
670150.00001

CH524127.1

OHIO COUNTY PUBLIC SERVICE DISTRICT

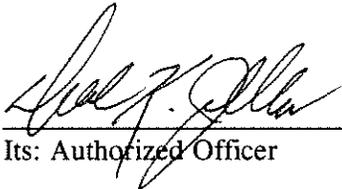
Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

WesBanco Elm Grove, Elm Grove, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Resolution of Ohio County Public Service District (the "Issuer") adopted May 23, 2002, and the Supplemental Resolution of the Issuer adopted May 23, 2002 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), dated May 30, 2002, issued in the principal amount of \$528,000, 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 30th day of May, 2002.

WESBANCO ELM GROVE

By: 
Its: Authorized Officer

05/10/02
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OHIO COUNTY PUBLIC SERVICE DISTRICT

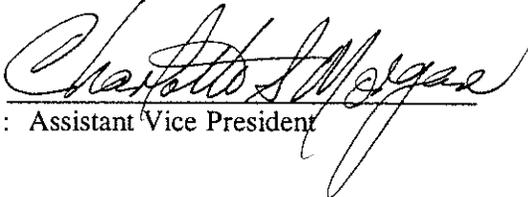
Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

Branch Banking and Trust Company, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Ohio County Public Service District Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), dated, May 30, 2002, issued in the principal amount of \$528,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 30th day of May, 2002.

BRANCH BANKING AND TRUST COMPANY

By: 
Its: Assistant Vice President

05/10/02
670150.00001

OHIO COUNTY PUBLIC SERVICE DISTRICT

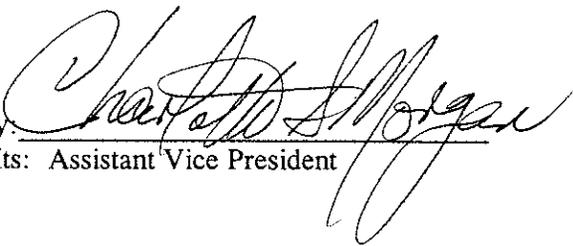
Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

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 Ohio County Public Service District (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), of the Issuer, dated May 30, 2002, in the principal amount of \$528,000, numbered AR-1, was registered as to principal and interest, 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 30th day of May, 2002.

BRANCH BANKING AND TRUST COMPANY

By: 
Its: Assistant Vice President

05/10/02
670150.00001

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 2002 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 30th day of May, 2002 by and between OHIO COUNTY PUBLIC SERVICE DISTRICT, a public 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 \$528,000 Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund), in fully registered form (the "Bonds"), pursuant to the Bond Resolution of the Issuer duly adopted May 23, 2002, and the Supplemental Resolution of the Issuer duly adopted May 23, 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 exclusion of interest on the Bonds from gross income for federal income tax purposes, 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: Ohio County Public Service District
Post Office Box 216
Triadelphia, West Virginia 26059
Attention: Chairman

REGISTRAR: Branch Banking and Trust Company
300 Summers Street
Post Office Box 1793
Charleston, West Virginia 25326-1793
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.

OHIO COUNTY PUBLIC SERVICE DISTRICT

By: James C. Boyle
Its: Chairman

BRANCH BANKING AND TRUST COMPANY

By: Charlotte S. Morgan
Its: Assistant Vice President

EXHIBIT A

Bond Legislation included in bond transcript as Documents Nos. 1 and 2.

SCHEDULE OF COMPENSATION

(Please see the attached)

05/10/02
670150.00001



May 30, 2002

Trust Department

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

Ohio County Public Service District
Attention: Chairman
Post Office Box 216
Triadelphia, WV 26059

RE: Invoice

OHIO COUNTY PUBLIC SERVICE DISTRICT WATER REVENUE BONDS,
SERIES 2002 A (WV Infrastructure Fund)

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

CLOSING MEMORANDUM

To: Financing Team
From: John C. Stump, Esquire
Date: May 30, 2002
Re: Ohio County Public Service District Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund)

DISBURSEMENTS TO OHIO COUNTY PUBLIC SERVICE DISTRICT

1. Payor: West Virginia Infrastructure Fund
Source: Series 2002 A Bonds Proceeds
Amount: \$528,000
Form: Wire Transfer
Payee: Ohio County Public Service District
Bank: WesBanco Elm Grove
Routing #: 043400036
Account #: 118691918
Contact: Mr. Don Jebbia
Account: Series 2002 A Bonds Construction Trust Fund

05/15/02
670150.00001

CH499026.1

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue and Refunding Bond, Series 1980

and

Bond Anticipation Notes

BOND AND NOTE RESOLUTION

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COPY MAILED TO
MUNICIPAL BOND COMMISSION
March ____, 1981

03/03/81

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OHIO COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ISSUANCE OF \$3,060,000 WATER REVENUE AND REFUNDING BOND, SERIES 1980, AND BOND ANTICIPATION NOTES, SERIES 1980, OF OHIO COUNTY PUBLIC SERVICE DISTRICT TO FINANCE THE COSTS OF CONSTRUCTION AND ACQUISITION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS FOR THE PUBLIC WATER SYSTEM OF THE DISTRICT AND TO REFUND THE WATER REVENUE BONDS, SERIES A, OF THE DISTRICT; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BOND AND THE NOTES; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT

BE IT RESOLVED AND ORDERED BY THE PUBLIC SERVICE BOARD OF OHIO COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS
AND DEFINITIONS

Section 1.01. Authority for This Resolution. This Resolution is adopted pursuant to the provisions of Article 13A, Chapter 16 of the West Virginia Code (the "Act") and other applicable provisions of law. Ohio County Public Service District (the "Issuer") is a public service district created and expanded by orders made pursuant to the Act by The County Commissions of Ohio, Brooke and Marshall Counties.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

(A) The Issuer, in Ohio, Brooke and Marshall Counties, West Virginia, now has a public water system serving water to customers within its service area, the cost of which water system was financed by the Water Revenue Bonds, Series A (the "Series A Bonds") of the Issuer dated as of the 1st day of August, 1964, and issued in the aggregate principal amount of \$2,015,000 and the Water Revenue Bonds, Series B (the "Series B Bonds") dated August 1, 1970, issued in the aggregate principal amount of \$350,000.

(B) It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer that there be constructed and acquired additions, extensions and improvements to the existing water system of the Issuer, hereinafter defined as the Project, such water system together with the Project and any additions, extensions and improvements thereto hereafter at any time made being herein called the "System."

(C) It is necessary for the Issuer to issue its water revenue bond (the "Bond") in the principal amount of \$3,060,000 and its bond anticipation notes (the "BAN") in the aggregate principal amount of not exceeding \$1,270,000, to finance a portion of the

costs of such construction and acquisition and to refund the Series A Bonds now outstanding as hereinafter provided. Water will continue to be purchased, under agreement, from the City of Wheeling.

(D) The estimated total sum required for the construction and acquisition of the Project and the refunding of the Series A Bonds is \$3,274,000, of which sum \$3,060,000 will be obtained from the proceeds of sale of the Bond or the Notes as hereinafter provided, \$113,000 from a grant by The County Commission of Ohio County, \$55,000 from a grant by The County Commission of Marshall County and approximately \$46,000 from tap fees from new customers of the Issuer.

The Series B Bonds, outstanding in the principal amount of \$330,000, are held by United States Department of Housing and Urban Development (the "Government"), which purchased the Series B Bonds pursuant to a Loan Agreement for Project No. PFL-WVA-40. HUD has consented to issuance of the Bond on a parity with the Series B Bonds as herein provided.

(E) The cost of such construction and acquisition of the Project shall be deemed to include, without being limited to, the construction and acquisition of the additions, extensions and improvements constituting parts of the Project, the acquisition of any necessary property, real or personal, tangible or intangible, or any interest therein, and any other purposes necessary, incidental, desirable or appurtenant to the construction and acquisition of the Project; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; expenses for financial services and fiscal or other agents in connection with the issuance of the Bond and the BAN, and such other expenses as may be necessary or incidental to the construction and acquisition of the Project, the refunding of the Series A Bonds and the financing authorized by this Resolution.

(F) The period of usefulness of the System after completion of the Project is not less than forty years.

(G) The Issuer has complied with all requirements of West Virginia law relating to authorization of the construction, acquisition and operation of the Project and issuance of the Bond and the BAN, including, among other things, the consent and approval, pursuant to the Act, of the issuance of the Bond and the BAN by the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which shall have expired.

(H) It is necessary to refund all the Series A Bonds now outstanding in the principal amount of \$1,782,000, in order to eliminate burdensome provisions of the 1964 Indenture relating to the Series A Bonds. The Series A Bonds bear interest at the rates of 4% (\$425,000 principal amount) and 4-1/4% (\$1,357,000 principal amount) per annum, which the Issuer understands represent low interest rates under current bond market conditions. Nevertheless, and pursuant to the 1964 Indenture, it is hereby determined and ordered that all the outstanding Series A Bonds be refunded to maturity, without prior redemption, by the use of United States Treasury Obligations, State and Local Government Series ("SLGS") bearing interest at the rate of 5% per annum. The sum required for

purchase of such SLGS is \$1,450,000. The principal sum of \$241,000 of the Series A Bonds has been purchased by The County Commission for the sum of \$161,000, and a portion of the proceeds of sale of the Bond will be used to repay such sum to said County Commission.

The Chairman and the Secretary are hereby authorized and directed to cause the Trustee to publish notice of such refunding of the Series A Bonds in accordance with the 1964 Indenture not more than thirty days after the irrevocable deposit of such SLGS with the Trustee, which notice shall state that after such date the Series A Bonds and the coupons appertaining thereto shall cease to be entitled to any lien, pledge, right, benefit or security under the 1964 Indenture and the 1964 Resolution, full and irrevocable provision for payment thereof having been made in accordance with the 1964 Indenture.

Upon deposit with the Trustee named in the 1964 Indenture of moneys and SLGS pursuant thereto sufficient to refund all the Series A Bonds outstanding and the interest thereon as the same become due, the 1964 Indenture shall be released by the Trustee in accordance with the provisions of Section 10.02 of the 1964 Indenture.

Section 1.03. Resolution to Constitute Contract. In consideration of the acceptance of the Bond and the BAN authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the holders of the Bonds and the BAN.

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

"Act" means Article 13A, Chapter 16 of the West Virginia Code.

"BAN" means the Bond Anticipation Notes hereinafter provided for and any refunding bond anticipation note or notes hereafter issued.

"Bank" means Wheeling Dollar Savings & Trust Co., as Trustee under the 1964 Indenture and the 1970 Supplemental Trust Indenture.

"Bond" means the Water Revenue and Refunding Bond, Series 1980, authorized hereby to be issued and also means and includes the BAN unless the context clearly would exclude the BAN.

"Bonds" means the Bond and the Series B Bonds.

"Bondholders" or "Holders of the Bonds" means the Government and the Purchaser.

"Bond Legislation" means this Resolution and all resolutions supplemental hereto.

"Chairman" means the Chairman of the Governing Body.

"Consulting Engineer" means Cerrone and Vaughn, Inc., Wheeling, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

"Facilities" or "water facilities" means all the tangible properties of the System and also any tangible properties which may hereafter be added to the water system by additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

"Fiscal Year" means each year beginning on September 1 and ending on the succeeding August 31.

"Governing Body" means the Public Service Board of the Issuer.

"Government" means United States Department of Housing and Urban Development, which is the holder of the Series B Bonds.

"Herein" means in this Bond Legislation.

"Holder of the Bond" or "Bondholder" or any similar term means any person who shall be the bearer or owner of the Bond and, unless the context clearly would exclude the BAN, also means the holders of the BAN.

"1964 Indenture" means the Trust Indenture between the Issuer and Wheeling Dollar Savings & Trust Co., dated as of the 1st day of August, 1964, to secure payment of the Series A Bonds and applicable also to the Series B Bonds pursuant to the 1970 Supplemental Trust Indenture.

"Issuer" means Ohio County Public Service District and includes the Governing Body.

"Net Revenues" means the balance of the gross revenues, as defined below, remaining after deduction only of operating expenses, as defined below.

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting practices, and retention of a sum not to exceed one-sixth of the budgeted operating expenses stated above for the current year as working capital, and language herein requiring payment of operating expenses means also retention of not to exceed such sum as working capital.

"Project" means the additions, extensions and improvements for the System financed as herein provided for, consisting of

approximately twenty-three miles of water mains, a water storage tank and necessary appurtenant facilities. The refunding of the Series A Bonds is fully provided for in the Bond issue.

"Purchaser" means United States Department of Agriculture, Farmers Home Administration and any successor thereof.

"Revenues" or "gross revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"1964 Resolution" means the resolution adopted by the Governing Body September 21, 1964, authorizing the Series A Bonds and the 1964 Indenture.

"1970 Resolution" means the resolution adopted by the Governing Body on August 16, 1971, providing for issuance of the Series B Bonds and entitled:

RESOLUTION AUTHORIZING THE ISSUANCE OF \$350,000 WATER REVENUE BONDS, SERIES B, OF OHIO COUNTY PUBLIC SERVICE DISTRICT TO FINANCE THE COSTS OF CONSTRUCTION AND ACQUISITION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS FOR THE PUBLIC WATER SYSTEM OWNED BY THE DISTRICT DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE SERIES B BONDS; PROVIDING THE FORM OF SUPPLEMENTAL TRUST INDENTURE TO SUPPLEMENT THE TRUST INDENTURE SECURING THE WATER REVENUE BONDS, SERIES A, OF THE DISTRICT FOR SECURING THE PAYMENT OF THE SERIES B BONDS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT.

"Secretary" means the Secretary of the Governing Body.

"1970 Supplemental Trust Indenture" means the Supplemental Trust Indenture dated as of the 1st day of August, 1970, supplementing the 1964 Indenture to secure the Series B Bonds as additional Bonds issued on a parity with the Series A Bonds.

"System" means the existing waterworks of the Issuer as expanded by the Project, and includes the complete waterworks system of the Issuer and all facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks system; and shall also include any and all additions, extensions, improvements, properties or other facilities at any time acquired or constructed for the waterworks system after completion of the Project.

"Trust Agreement" means the Trust Agreement to be dated on the delivery date of the BAN between the Issuer and the Trustee, the form of which is attached hereto as Appendix A.

"Trustee" means Security National Bank & Trust Company, Wheeling, West Virginia, and any successor trustee under the Trust Agreement.

"Underwriters" means the purchasers of the BAN directly from the Issuer.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Section 1.05. Concerning Series B Bonds. As the holder of all the Series B Bonds outstanding, the Government has seen this Bond Legislation prior to adoption and has approved the same and the changes relating to the Series B Bonds herein provided.

Upon delivery of the Bond or any portion thereof to refund the Series A Bonds, or delivery of the BAN, and upon full provision for refunding of the Series A Bonds and upon deposit of moneys in the Project Construction Account sufficient to fund the Project in its entirety, the Bank shall release the 1970 Supplemental Trust Indenture. Thereafter, the Series B Bonds will be secured by and provisions relating thereto will be in accordance with the 1970 Resolution as amended and supplemented by this Bond Legislation.

Moneys in the Debt Service Reserve Fund pursuant to the 1964 Indenture and the 1970 Supplemental Trust Indenture relating to the Series B Bonds, in the sum of \$44,726, shall be paid to the Government by the Bank as prepayment upon the Series B Bonds.

Although the 1964 Indenture and the 1970 Supplemental Trust Indenture are to be released, both shall continue with reference to the 1970 Resolution to provide details of the Series B Bonds referred to, but not set forth in the 1970 Resolution, but in case of conflict as to the Series B Bonds between said three documents and this Bond Legislation, this Bond Legislation shall prevail.

Section 1.06. Concerning Refunding of Series A Bonds. The Purchaser will take delivery of the Bond and will pay thereon to the Issuer the sum necessary to provide for payment and refunding to maturity of all the Series A Bonds outstanding in accordance with the 1964 Indenture.

In the event that BAN are issued as hereinafter provided, the aggregate principal amount thereof shall not exceed the principal amount of the Bond less the advances thereon paid by the Purchaser to the Issuer at the preliminary Bond closing, which will be at the same time as the BAN closing.

Reference herein with relation to the BAN, and particularly in Article 1A hereof, to the agreement of the Purchaser to purchase the Bond, shall mean the agreement of the Purchaser to pay to the Issuer the remaining principal amount of the Bond.

In addition to the proceeds of the Bond in the sum to provide for payment and refunding of the Series A Bonds, the moneys remaining in the Debt Service Reserve Fund provided in the 1964 Indenture, relating to the Series A Bonds, in the sum so remaining therein, may also be used for such refunding.

Section 1.07. Moneys Remaining with Bank. After payment or use of moneys in the Debt Service Reserve Fund under the 1964 Indenture and the 1970 Supplemental Trust Indenture as provided in

Sections 1.05 and 1.06 above, any moneys remaining in any funds or accounts under the 1964 Indenture and the 1970 Supplemental Trust Indenture, after payment of all charges and fees of the Bank, shall be transferred and paid by the Bank to the Waterworks Project Construction Account hereby established with the Trustee.

ARTICLE I A

BOND ANTICIPATION NOTES

Section 1.01 A. Authorization and General. In order to pay certain costs of the construction of the Project pending the delivery of the Bond to the Purchaser, bond anticipation notes ("BAN") of the Issuer shall be issued and sold in the amount of \$ _____.

Each BAN shall be designated "Waterworks System Bond Anticipation Note - Series 1980," shall be dated on the date of delivery thereof, shall be numbered 1 upward, shall be in such denominations as the Governing Body shall determine by Bond Legislation supplemental hereto, shall be negotiable, shall bear interest from the date of delivery payable and at the rate or rates, shall mature, shall have such paying agents and shall have such other provisions as are not set forth herein as provided in such supplemental Bond Legislation. The BAN shall contain the provisions shown in the form of BAN set forth in Section 1.12 A below.

The BAN shall be executed for the Issuer by the Chairman, and the seal of the Issuer shall be impressed thereon and attested by the signature of the Secretary.

The BAN shall be sold pursuant to Purchase Agreements to be entered into between the Issuer and Underwriters pursuant to such supplemental Bond Legislation.

Section 1.02 A. Deposit of BAN Proceeds. The amount received upon the sale of the BAN, less interest to become due until the maturity thereof, shall be deposited on receipt by or for the Issuer with the Trustee in the Waterworks Project Construction Account established by Section 3.01 hereof and by the Trust Agreement.

The balance received from the proceeds from the sale of the BAN shall be for payment of the interest on the BAN as such interest becomes due, and shall be directly deposited on receipt by or for the Issuer with the Trustee in a special segregated account designated "Ohio County Public Service District Waterworks BAN Repayment Account," as more particularly described and upon the further terms and conditions of Section 1.06 A hereof and in the Trust Agreement.

Section 1.03 A. Security for the BAN. The BAN shall be secured by the pledge by the Issuer of and by a first lien on (i) the agreement of the Purchaser to make the loan to the Issuer in the amount of \$3,060,000 less the sum of \$ _____ paid by the Purchaser upon the Bond to the Issuer for refunding the Series A Bonds and other costs payable on account of the issuance of the Bond and the BAN (the "Loan") by paying the remaining principal amount of the Bond, (ii) the proceeds of the sale of the Bond equal to the aggregate principal amount of the BAN then outstanding when such proceeds are received from the Purchaser, (iii) all moneys and securities in the Waterworks BAN Repayment Account, (iv) the proceeds from the sale of the BAN until expended as herein authorized, (v) the proceeds of sale of the BAN refunding notes, if

any, and (vi) the Net Revenues of the System, on a parity with the Series B Bonds, until payment of the BAN, and said pledge by the Issuer for the benefit of the holders of the BAN, to the extent of the aggregate principal amount of the BAN and the interest thereon, is hereby made and granted. The Issuer will execute such financing statements, security agreements and other documents that may be required to perfect such pledge and lien. The Trustee shall act as agent for the holders of the BAN in connection with the execution of all financing statements and other instruments necessary under applicable laws in order to fully perfect the interests of the holders of the BAN in the assets pledged hereby, and to receive all notices and respond to all inquiries in connection therewith. The BAN shall also be secured by a statutory mortgage lien on the System as provided in the Act, on a parity with the Series B Bonds.

Section 1.04 A. Payment of BAN. The Issuer will immediately deposit with the Trustee sufficient proceeds from the sale of the Bond and of any refunding BAN to pay the BAN, to be placed by the Trustee directly into the Waterworks BAN Repayment Account held by the Trustee. Upon maturity of the BAN, the Trustee will pay to the holders of the BAN, in immediately available funds, all principal and interest owing on the BAN.

Section 1.05 A. BAN are Limited Obligations. The BAN shall be limited obligations of the Issuer, the interest on which is payable solely from certain of the proceeds from the sale of the BAN, the principal of which is payable from the sources described in Section 1.03 A above, or, the principal of and interest on which are payable from the net revenues of the Issuer arising from ownership and operation of the System on a parity with the Series B Bonds, in the event that the Purchaser shall not purchase the Bond in accordance with its agreement to do so.

Section 1.06 A. Trustee; Waterworks BAN Repayment Account. The Trustee shall segregate all funds and securities in the Waterworks BAN Repayment Account separate and apart from other deposits and funds of the Trustee and other deposits and funds of the Issuer, including the Waterworks Project Construction Account. Subject to the Trust Agreement, all moneys in the Waterworks BAN Repayment Account, until payment in full of all principal and interest owing on the BAN at maturity, shall be held by the Trustee for the holders of the BAN, and the Issuer shall have no rights with respect thereto. All moneys in the Waterworks BAN Repayment Account in excess of the amount insured by FDIC shall be continuously secured by, or invested by the Trustee in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America ("Federal Obligations") which Federal obligations shall mature at least one day prior to need for the funds for payment of interest on or principal of the BAN. At or prior to any interest payment date and the maturity of the BAN, the Trustee shall pay to the holders of the BAN in immediately available funds the amount of interest or principal and interest owing on the BAN and the charges of the Trustee and Paying Agents. Upon such transfer the Trustee shall pay to the Issuer any excess amounts remaining in the Waterworks BAN Repayment Account, and the Issuer shall deposit any such amounts in the Waterworks Project Construction Account.

The Issuer shall pay to the Trustee from time to time reasonable compensation for all services rendered by the Trustee under the Bond Legislation and the Trust Agreement, and all reasonable expenses, charges, counsel fees and other disbursements incurred by the Trustee in connection with its performance of its functions thereunder.

Section 1.07 A. Paying Agent. The Trustee shall be the Paying Agent for the BAN.

Section 1.08 A. Covenants. The Issuer covenants and agrees that the holders of the BAN shall be entitled to the benefit of all covenants contained in this Bond Legislation as if the holders of the BAN were the Bondholder as such term is used herein.

In addition, the Issuer covenants, to take all actions necessary to cause the Purchaser to pay the principal amount remaining to be paid on the Bond not later than one day prior to the BAN maturity date, such payment upon the Bond to be in funds immediately available on date of the BAN maturity.

Section 1.09 A. Refunding BAN. The Issuer covenants that in the event the Bond is not issued and sold not later than one day prior to the due date of the BAN, it will use its best efforts to sell one or more series of its Bond Anticipation Refunding Notes hereunder in such aggregate amount as shall be necessary to pay the principal of the BAN, accrued interest thereon to maturity and the expense of issuing the Bond Anticipation Refunding Notes. The proceeds of the Bond Anticipation Refunding Notes, after making provision for the payment of the expenses of issuance thereof, shall be deposited in the Waterworks BAN Repayment Account and used solely for the payment of the principal of and accrued interest on the BAN.

All Bond Anticipation Refunding Notes shall be in substantially the same form as the BAN, but shall be of such denominations, bear such dates, bear interest at such rates, have such maturity dates and contain an appropriate series designation, all as shall be provided in the Bond Legislation authorizing such Bond Anticipation Refunding Notes.

Section 1.10 A. Events of Default and Enforcement. The events described in the Trust Agreement as Events of Default shall be Events of Default hereunder.

The rights of the holders of the BAN on the happening of an Event of Default are described in the Trust Agreement.

In the event of conflict between the provisions hereof and the provisions of the Trust Agreement, the provisions of the Trust Agreement shall prevail.

In the event that the BAN are not paid when due, the interest rate on the BAN after maturity until payment thereof in full shall be 10% per annum, and the Issuer will pay the holders of the BAN not paid when due the principal amount of the BAN together with interest at the rate shown on the BAN from the date of the BAN until the due date thereof, and plus interest on the principal of the BAN at the rate of 10% per annum from the due date of the BAN until payment thereof in full.

Section 1.11 A. Defeasance of BAN. Upon deposit by the Issuer with the Trustee of moneys sufficient to pay the BAN at maturity or of Federal Obligations, the principal of and interest on which will be sufficient to pay the BAN at maturity, the BAN shall be considered to have been paid in full pursuant hereto except as provided below, and the lien and pledge hereby granted shall be deemed to be and shall be cancelled and discharged; and the holders of the BAN shall, upon such deposit, be entitled to payment of the BAN and the interest thereon at maturity solely from the moneys then on deposit with the Trustee. All moneys and all securities deposited in accordance with the provisions of this Section shall at all times be under the exclusive control of the Trustee, shall be held by it for the sole benefit of the holders of the BAN, and shall be applied solely to the payment of the BAN except as expressly provided in this Section; and the Issuer shall have no rights or powers with respect to nor any interest in such moneys or securities or any part thereof.

Section 1.12 A. Supplemental Bond Legislation. Following adoption hereof, and upon receipt of the Purchase Agreements referred to in Section 1.01 A, the Issuer, if it be so advised, will adopt Supplemental Bond Legislation, which Supplemental Bond Legislation will provide, among other things, the interest rate or rates on the BAN, the interest payment dates, the maturity date and the sale price of the BAN and such other matters as shall be required or desired in connection with issuance of the BAN.

Section 1.13 A. Form of BAN. The BAN shall be in the following form, subject to such changes, insertions and deletions as the Chairman shall agree to by execution of the BAN:

(Form of BAN)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
OHIO COUNTY PUBLIC SERVICE DISTRICT
WATERWORKS SYSTEM BOND ANTICIPATION NOTE
SERIES 1980

No. _____

\$ _____

OHIO COUNTY PUBLIC SERVICE DISTRICT, a public service district in Ohio, Brooke and Marshall Counties of the State of West Virginia (the "Issuer"), for value received, hereby promises to pay to the order of _____ upon presentation and surrender hereof the sum of _____ THOUSAND DOLLARS (\$ _____), without option of prior redemption, on _____, 19____, with interest at the rate of _____ percent (____%) per year payable at maturity. Both principal and interest are payable in lawful money of the United States of America at the principal office of Security National Bank & Trust Company, Wheeling, West Virginia.

This Note is one of a series of Notes in the aggregate principal amount of \$ _____ duly authorized by the Issuer and issued in anticipation of the issuance of the Water Revenue and Refunding Bond, Series 1980 (the "Bond"), of the Issuer in the principal sum of \$3,060,000 for aiding in the construction of improvements and extensions for the existing waterworks (the "System") of the Issuer.

Farmers Home Administration of the United States Department of Agriculture has heretofore advanced the sum of \$ _____ upon purchase of the Bond to provide funds to redeem all the Water Revenue Bonds, Series A, of the Issuer and to pay certain costs and disbursements due on the date hereof, and has agreed to pay the remaining \$ _____ of principal amount of the Bond at least one day prior to the due date of the issue of Notes of which this Note is one.

The principal of this Note, and of the issue of Notes of which this Note is one, is payable solely, equally, ratably, and only from the remaining \$ _____ of proceeds of sale of the Bond and certain proceeds, if any, from the sale of refunding notes, and, if Farmers Home Administration should not pay such remaining \$ _____ upon the Bond as agreed, from the net revenues of the System defined in the Resolution mentioned below, but on a parity with the Water Revenue Bonds, Series B, of the Issuer dated August 1, 1970. The proceeds of sale of the Bond and certain proceeds, if any, from the sale of the refunding notes have been pledged to the Noteholders to secure payment of the principal of the Notes.

Moneys from the proceeds of sale of the Notes to pay the interest on the Notes have been deposited with the Trustee hereinafter mentioned.

The Notes of the issue of which this Note is one are limited and special obligations of the Issuer, and do not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory limitations or provisions, and the Issuer shall not be obligated to pay this Note and the Notes of the issue of which this Note is one or the interest thereon except from the said proceeds of the Bond and certain proceeds of the Notes and certain proceeds from the sale of refunding notes and any other sources which may be provided by the Resolution authorizing issuance of the Notes and the Bond.

The Notes of the issue of which this Note is one have been duly authorized by a Resolution and a Supplemental Resolution of the Issuer pursuant to West Virginia Code, Chapter 16, Article 13A (the "Act").

The Act provides that the Notes of the issue of which this Note is one are exempt as to principal and interest from taxation by the State of West Virginia and the other taxing bodies of said State.

The Notes of the issue of which this Note is one are further secured by the Trust Agreement referred to in said Resolution, between the Issuer and Security National Bank & Trust Company, Wheeling, West Virginia (the "Trustee"), to which Trust Agreement, Resolution and said Supplemental Resolution reference is made for further description of the security for payment hereof, the rights of the holders of the Notes and the rights and obligations of the Issuer and the Trustee.

Every requirement of law relating to the issuance hereof has been duly complied with.

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT has caused this Note to be signed by the Chairman of its Public Service Board and has caused its seal to be hereto affixed and attested by the Secretary of said Public Service Board, all as of the date below written.

Dated: _____, 1981.

OHIO COUNTY PUBLIC SERVICE DISTRICT

{SEAL}

By _____
Chairman

ATTEST:

Secretary

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF BOND

Section 2.01. Authorization of Bond. Subject and pursuant to the provisions of this Resolution, the Bond of the Issuer, to be known as "Water Revenue and Refunding Bond, Series 1980," is hereby authorized to be issued in the aggregate principal amount of not exceeding Three Million Sixty Thousand Dollars (\$3,060,000) for the purposes of financing a portion of the cost of the construction and acquisition of the Project and refunding the Series A Bonds as herein provided.

Section 2.02. Description of Bond. The Bond shall be issued in single form, No. 1, and shall be dated on the date of delivery. The Bond shall bear interest from date, payable monthly at the rate of five per centum (5%) per annum, and shall be sold for the par value thereof.

The Bond shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the Bond form hereinafter set forth.

Prepayment or redemption of Series B Bonds and the Bond shall, to the extent feasible, be on an equal, pro rata basis reflecting the ratio between the initial aggregate principal amounts of the two Series, and being \$1,000 of the Series B Bonds for each \$8,743 of the Bond.

Section 2.03. Execution of Bond. The Bond shall be executed in the name of the Issuer by the Chairman and its corporate seal shall be affixed thereto and attested by the Secretary.

Section 2.04. Bond Mutilated, Destroyed, Stolen or Lost. In case the Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The Bond so surrendered shall be cancelled and held for the account of the Issuer. If the Bond shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same, and, if such Bond be destroyed, stolen or lost, without surrender thereof.

Section 2.05. Bond and BAN Secured by Pledge of Revenues. The payment of the debt service of the Bond and the BAN shall be secured forthwith by a first lien on the net revenues derived from the System in addition to the statutory mortgage lien on the System hereinafter provided for, and on a parity with the Series B Bonds. The net revenues derived from the System in an amount sufficient to pay the principal of and interest on the Bonds and the BAN, and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds

and the BAN as the same become due, on a parity with the Series B Bonds.

Section 2.06. Form of Bond. Subject to the provisions hereof, the text of the Bond and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or any resolution adopted after the date of adoption hereof and prior to the issuance thereof:

(Form of Bond)

WATER REVENUE AND REFUNDING BOND, SERIES 1980

OHIO COUNTY PUBLIC SERVICE DISTRICT

\$3,060,000

No. 1

Date: _____

FOR VALUE RECEIVED, OHIO COUNTY PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (the "Government"), at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of Three Million Sixty Thousand Dollars (\$3,060,000), plus interest on the unpaid principal balance at the rate of five percent (5%) per annum. The said principal and interest shall be paid in the following installments on the following dates: Installments of interest only, commencing on the 30th day following delivery of the Bond and continuing on the corresponding day of each month for the first twenty-four months after the date hereof and \$15,025, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of forty (40) years from the date of this Bond, and except that prepayments may be made as provided hereinbelow. The consideration hereof shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or,

except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of construction and acquisition of improvements to the waterworks (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the Borrower within the meaning of any constitutional or statutory provision or limitation.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Article 13A of Chapter 16 of the West Virginia Code (the "Act") and a Resolution of the Borrower.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$	March , 1981	(6) \$	
(2) \$		(7) \$	
(3) \$		(8) \$	
(4) \$		(9) \$	
(5) \$		(10) \$	

TOTAL \$ _____

ASSIGNMENT

Pay to the Order of _____

UNITED STATES OF AMERICA
FARMERS HOME ADMINISTRATION

By _____

(Title)

ARTICLE III

BAN PROCEEDS; REVENUES
AND APPLICATION THEREOF

Section 3.01. BAN and Bond Proceeds; Waterworks Project Construction Account. The proceeds of sale of the BAN, less the sum representing interest on the BAN to the maturity thereof, or, if BAN are not issued, the proceeds of the Bond shall be deposited on receipt by the Issuer with Wheeling Dollar Savings & Trust Co., in a special account hereby created and designated as "Ohio County Public Service District Waterworks Project Construction Account" (herein called the "Waterworks Project Construction Account"). The moneys in the Waterworks Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by such bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law. Moneys in the Waterworks Project Construction Account shall be expended by the Issuer solely for the purposes provided herein and, if BAN are issued, in the Trust Agreement.

Until completion of construction of the Project, the Issuer will transfer from the Waterworks Project Construction Account and pay to the Purchaser each month, on or before the due date of the monthly installment on the Bond, such sums as shall be from time to time required to make the monthly installment payments on the Bond if there are not sufficient Net Revenues to make such monthly payment. The Issuer will also transfer from the Waterworks Project Construction Account to the Trustee, upon request of the Trustee, if Ban are issued, such moneys as may be needed to pay charges of the Trustee and the Paying Agents.

If the Issuer shall determine at any time that all funds on deposit in the Waterworks Project Construction Account exceed the estimated disbursements on account of the Project for the ensuing 90 days, the Issuer may invest such excess funds in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, or in investments secured by a pledge of such obligations, which shall mature not later than eighteen months after the date of such investment. All such investments and the income therefrom shall be carried to the credit of the Waterworks Project Construction Account.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Waterworks Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 3.02. Covenants of the Issuer as to Revenues and Funds. So long as the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Bond Reserve Fund hereinafter established, a sum sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the Bonds remaining unpaid, together with interest accrued and to accrue thereon, the Issuer further covenants with the holders of the Bonds as follows:

(A) Water Revenue Fund. The entire gross revenues derived from the operation of the System, and all parts thereof, and all tap fees received (subject to the provisions of Section 3.02 (D)), shall be deposited as collected by the Issuer in a bank in Ohio County, West Virginia (the "Depository"), which is a member of FDIC, which Fund, known as the "Water Revenue Fund" is hereby established. The Water Revenue Fund shall constitute a trust fund for the purposes provided herein and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner provided herein. The Issuer may, upon notice to the Purchaser and the Government, from time to time designate a different depository for the Water Revenue Fund.

(B) Disposition of Revenues. All revenues at any time on deposit in the Water Revenue Fund shall be disposed of only in the following order and priority:

(1) The Issuer shall first each month pay from the moneys in the Water Revenue Fund all current Operating Expenses.

(2) The Issuer shall next, simultaneously, not later than the 25th day of each month, but in any event not later than the due date of each monthly installment on the Bond, (a) transfer from the Water Revenue Fund and pay to the National Finance Office designated in the Bond the amount required to pay the interest on the Bond, and to amortize the principal of the Bond over the life of the Bond issue and (b) transfer from the Water Revenue Fund and pay to the West Virginia Municipal Bond Commission, State Capitol Building, Charleston, West Virginia (the "Municipal Bond Commission"), for deposit in the Series B Debt Service Fund, hereby established with the Municipal Bond Commission, one-sixth of the semi-annual interest payment and one-twelfth of the annual principal payment next becoming due on the Series B Bonds.

(3) The Issuer shall next, by the 15th day of each month, transfer from the Water Revenue Fund and deposit with the said Municipal Bond Commission in the Water Bonds Reserve Fund hereby established with the Municipal Bond Commission, 1/12 of 1/10 of the maximum amount of principal and interest becoming due on the Bonds in any year until the amount in the Water Bonds Reserve Fund equals the sum of \$202,663, such sum being herein called the "Minimum Reserve." After the Minimum Reserve has been accumulated in the Water Bonds Reserve Fund, the Issuer shall monthly deposit into the Water Bonds Reserve Fund such part of the moneys remaining in the Water Revenue Fund, after such provision for payment of monthly installments on the Bonds and for payment of operating expenses of the System, as shall be required to maintain the Minimum Reserve in the Water Bonds Reserve Fund. Moneys in the Water Bonds Reserve Fund shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the Bonds as the same shall become due or for prepayment of installments on the Bonds, or for mandatory prepayment of the Bonds as hereinafter provided, and for no other purpose.

(4) The Issuer shall next, by the 15th day of each month, transfer from the Water Revenue Fund and deposit in the Water Expenditures Fund, hereby established with the Depository, the moneys remaining in the Water Revenue Fund and not permitted to be retained therein, until there has been accumulated in the Capital

Expenditures Fund the aggregate sum of \$200,000 and thereafter such sums as shall be required to maintain such amount therein. Moneys in the Capital Expenditures Fund shall be used first to make up any deficiencies for monthly payments of principal of and interest on the Bonds and next to restore to the Water Bonds Reserve Fund any sum or sums transferred therefrom. Thereafter, and provided that payments into the Water Bonds Reserve Fund are current and in accordance with the foregoing provisions, moneys in the Capital Expenditures Fund may be withdrawn by the Issuer and used for extraordinary repairs and for replacements of equipment and for improvements for the System, or any part thereof.

(5) After all the foregoing provisions for use of moneys in the Water Revenue Fund have been fully complied with, any moneys remaining therein and not permitted to be retained therein may be used to prepay installments of the Bonds or for any lawful purpose.

Whenever the moneys in the Water Bonds Reserve Fund shall be sufficient to prepay the Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Bonds at the earliest practical date and in accordance with applicable provisions hereof.

The Depository (and any successor appointed by the Issuer) is hereby designated as the Fiscal Agent for the administration of the Capital Expenditures Fund and the Municipal Bond Commission is hereby designated Fiscal Agent for the Water Bonds Reserve Fund and the Series B Debt Service Fund as herein provided, and all amounts required therefor will be deposited therein by the Issuer upon transfers of funds from the Water Revenue Fund at the times provided herein, together with written advice stating the amount remitted for deposit into each such Fund.

All the funds provided for in this Section shall constitute trust funds and shall be used only for the purposes and in the order provided herein, and until so used, the Purchaser and the Government shall have a lien thereon for further securing payment of the Bonds and the interest thereon, but the Depository shall not be a trustee as to the Capital Expenditures Fund. The moneys in excess of the sum insured by FDIC in any of such funds shall at all times be secured, to the full extent thereof in excess of such insured sum, in a manner lawful for securing deposits of State and municipal funds under the laws of the State of West Virginia.

If on any payment date the revenues are insufficient to make the payments and transfers as hereinabove provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates.

The Fiscal Agents shall keep the moneys in the Water Bonds Reserve Fund, the Series B Debt Service Fund and the Capital Expenditures Fund invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on which are guaranteed by, the United States of America and having maturities not exceeding two years. Earnings upon moneys in the Water Bonds Reserve Fund, so long as the Minimum Reserve is on deposit and maintained therein, shall be remitted annually in January to the Issuer by the Municipal Bond Commission for deposit in the Water Revenue Fund.

(C) Change of Fiscal Agent. The Issuer may designate another bank insured by FDIC as Fiscal Agent if the Depository should cease for any reason to serve or if the Governing Body determines by resolution that the Depository or its successor should no longer serve as Fiscal Agent. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser and to the Government.

(D) User Contracts. The Issuer shall, prior to delivery of the Bond, provide evidence that there will be at least ~~50~~ ⁵⁰⁷ bona fide new full-time users of the System, and must obtain user agreements and a \$175 tap fee from each such new user and deposit in the Water Project Construction Account or in the Water Revenue Fund, as required by the Purchaser, all such tap fees collected.

(E) Checks of the Issuer. All checks of the Issuer shall be signed by the office manager of the Issuer and by any one member of the Public Service Board of the Issuer.

ARTICLE IV
GENERAL COVENANTS

Section 4.01. General Statement. So long as the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the Water Bonds Reserve Fund a sum sufficient to prepay the entire principal of the Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer, the Purchaser and the Government.

Section 4.02. Rates. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide revenues in each fiscal year sufficient to produce net revenues equal to not less than 110% of the annual debt service on the Bonds and to make the payments required herein into the Water Bonds Reserve Fund and the Capital Expenditures Fund and all the necessary expenses of operating and maintaining the System during such fiscal year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

Section 4.03. Sale of the System. The System will not be sold without the prior written consent of the holders so long as the Bonds are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 4.04. Issuance of Additional Bonds. No additional bonds payable out of the revenues of the System shall be issued after the issuance of the Bond pursuant hereto except with the prior written consent of the Purchaser and the Government.

Section 4.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

(a) Fire, Lightning, Vandalism, Malicious Mischief and Extended Coverage Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground structures of the System in an amount equal to the actual cost thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or

death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be in effect immediately.

(c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) Workmen's Compensation Coverage for all Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with West Virginia Code Section 38-2-39.

(e) Fidelity Bonds will be provided as to every member of the Board and as to every officer and employee thereof having custody of the Water Revenue Fund or of any revenues or other funds of the District in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of \$30,000 upon persons handling monies of the Issuer, provided, however, that no bond shall be required insofar as custody of the Water Project Construction Account is concerned so long as checks thereon require the signature of a representative of the Purchaser.

(f) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser and the Government may specify, with insurance carriers or bonding companies acceptable to the Purchaser and the Government.

Section 4.06. Statutory Mortgage. For the further protection of the holders of the Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding.

Section 4.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

(A) Failure to make payment of any monthly principal interest or amortization installment at the date specified for payment thereof;

(B) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the Bonds or herein, or violation of or failure to observe any provision of any pertinent law.

Section 4.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the holders of the Bonds may proceed to protect and enforce their rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by any such holder, such court may, upon proof of such default appoint a receiver for the affairs of the Issuer and the System. The Receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers of the Issuer with respect to the System, shall proceed under the direction of the Court to obtain authorization to increase rates and charges of the System, and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 4.09. Fiscal Year; Budget. While the Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a fiscal year basis commencing on September 1 of each year and ending on the following August 31, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than thirty days prior to the beginning of each fiscal year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such fiscal year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Purchaser and the Government by the beginning of each fiscal year.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any fiscal year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget shall exceed the budget for the corresponding month in the year next preceding by more than ten per centum; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Purchaser and the Government.

Section 4.10. Compensation of Members of Governing Body. The Issuer hereby covenants and agrees that no compensation for policy direction shall be paid to the members of the Governing Body in excess of the amount permitted by the Act. Payment of any compensation to any such member for policy direction shall not be made if such payment would cause the Net Revenues to fall below the amount required to meet all payments provided for herein, nor when there is default in the performance of or compliance with any covenant or provision hereof.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Delivery of Bond No. 1. The Chairman, Secretary and Treasurer of the Governing Body are hereby authorized and directed to cause Bond No. 1, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

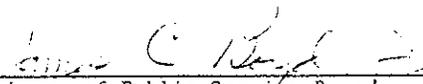
Section 6.02. Severability of Invalid Provision. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the Bonds.

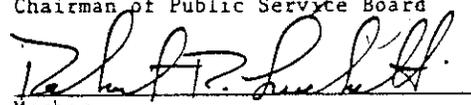
Section 6.03. Conflicting Provisions Repealed. All resolutions and orders or parts thereof in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed, except that the 1964 Resolution and the 1970 Resolution shall continue in full force and effect to the extent required to show certain provisions as to the Series B Bonds which are not in conflict with or are not superseded by this Bond Legislation; provided, however, that this section shall not be applicable to the Loan Resolution (Form FmHA 442-47).

Section 6.04. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

Section 6.05. Effective Time. This Resolution shall take effect immediately upon its adoption.

Adopted March 10, 1981.


Chairman of Public Service Board


Member

Member

disconnection. Service shall not be restored until all amounts in arrears, including accrued penalties, plus a reconnection fee of \$10 have been paid.

MULTIPLE OCCUPANCY

On apartment buildings, or other multiple occupancy buildings, each family or business unit shall be required to pay not less than \$7.90 (5/8 inch meter), the minimum bill for size meter installed, or actual charge for water usage, whichever is greater. Motels and hotels shall pay according to the size of meter installed.

TRAILER COURTS

A master meter(s) shall be used for trailer courts. No bill shall be rendered for less than \$7.90 multiplied by the number of units situated on the court site at the time the meter is read, the minimum bill for the size meter installed, or the actual charge for water usage, whichever is greater. House trailer (as used hereinabove) shall include both mobile and immobile units.

House trailers, either mobile or immobile, located on sites other than a park or court, shall be billed in the same manner as any other family or business unit.

B. There shall not be any discrimination or differential in rates between customers in similar circumstances.

C. All delinquent fees, rates and charges for services or facilities of the System shall be liens on the premises served of equal degree, rank and priority with the lien on such premises of state, county, school and municipal taxes, as provided in the Act. When such fees, rates and charges have been delinquent for thirty days, the Issuer shall have power forthwith to foreclose the lien on the premises served in the same manner provided by the laws of the State of West Virginia for the foreclosure of mortgage on real property.

D. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Issuer or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other revenues of the System.

E. The Issuer may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

ARTICLE V

RATES, ETC.

Section 5.01. Initial Schedule of Rates and Charges; Rules. A. The schedule of rates and charges for the services and facilities of the System shall be as follows, subject to change consonant with the provisions hereof:

AVAILABILITY OF SERVICE

Available for all domestic, commercial, institutional and industrial consumers within the service area of the Issuer.

RATES FOR WATER USED PER MONTH

First	3,000 gallons	\$2.633 per 1,000 gallons
Next	5,000 gallons	1.65 per 1,000 gallons
Next	92,000 gallons	1.40 per 1,000 gallons
Next	400,000 gallons	1.25 per 1,000 gallons
Next	500,000 gallons	.95 per 1,000 gallons
All over	1,000,000 gallons	.75 per 1,000 gallons

MINIMUM CHARGE

No monthly bill shall be rendered for less than the following amounts based on size of meter:

5/8 x 3/4" meter or smaller	\$ 7.90
3/4" meter	9.00
1" meter	16.00
1-1/2" meter	35.00
2" meter	65.00
3" meter	145.00
4" meter	260.00
6" meter	590.00
8" meter	1,050.00

TAP FEES FOR NEW SERVICE

Prior to award of construction contract
for the Project \$175.00

or
After award of construction contract
actual cost of installation, including
materials and labor, whichever
is greater \$250.00

DELAYED PAYMENT PENALTY

The above rates are net. On all accounts not paid in full within 20 days after date of billing, a penalty of ten per cent will be added to the net amount of the bill.

If any bill is not paid within 60 days of the date thereof, the bill will be considered delinquent and subject to

Section 4.11. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer and on file with the Secretary on the date of adoption hereof, subject to changes permitted by the Purchaser.

Section 4.12. Books and Records; Management. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and the holders of the Bonds shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Purchaser and to the Government.

So long as the Bonds are outstanding or until full and irrevocable deposit for payment of all the Bonds and the interest thereon has been made, the Issuer will employ an office manager and a manager of operations, who shall not be the same person, in order, respectively, to provide for orderly supervision and functioning of the office of the Issuer and for accurate record keeping, and to provide for management in the field of the operation, maintenance and repair of the System.

Section 4.13. Maintenance of System. The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the Bonds are outstanding.

Section 4.14. No Competition. The Issuer will not permit competition with the System within its boundaries or within the territory served by it and will not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the issuer or within the territory served by the System.

Section 4.15. Concerning Arbitrage. The proceeds of sale of the Bond and the BAN will not be invested in such a way as to violate the regulations of the Internal Revenue Service or of the Treasury Department of the United States of America in connection with the arbitrage provisions of Section 103(c) of the Internal Revenue Code of 1954, as amended.

OHIO COUNTY PUBLIC SERVICE DISTRICT

**Water Revenue Bonds, Series 1992 A,
Series 1992 B and Series 1992 C**

BOND RESOLUTION

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OHIO COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ISSUANCE IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF \$1,091,000 WATER REVENUE BONDS, SERIES 1992 A, SERIES 1992 B AND SERIES 1992 C, OF OHIO COUNTY PUBLIC SERVICE DISTRICT, THE BONDS BEING JUNIOR AND SUBORDINATE TO THE OUTSTANDING 1970 BONDS AND 1980 BOND OF THE DISTRICT, TO FINANCE THE COST, NOT OTHERWISE PROVIDED, OF ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC SERVICE PROPERTIES CONSISTING OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE EXISTING WATERWORKS SYSTEM OF THE DISTRICT AND ALL APPURTENANT FACILITIES; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITIES OF THE HOLDERS OF THE BONDS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT

BE IT RESOLVED AND ORDERED BY THE PUBLIC SERVICE BOARD OF OHIO COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS
AND DEFINITIONS

Section 1.01. Authority for This Resolution. This Resolution is adopted pursuant to the provisions of Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and other applicable provisions of law. Ohio County Public Service District (the "Issuer") is a public service district and political subdivision of the State of West Virginia in Ohio, Brooke and Marshall Counties of said State, duly created and expanded pursuant to the Act by The County Commissions of Ohio, Brooke and Marshall Counties.

Section 1.02. Findings and Determinations. It is hereby found, determined and declared as follows:

A. The Issuer now has a public waterworks system and desires to finance and acquire, construct, operate and maintain certain additional public service properties consisting of additions, betterments and improvements for such existing waterworks facilities with all appurtenant facilities, within the boundaries of the Issuer to be owned and operated by the Issuer.

B. It is deemed essential, convenient and desirable for the health, welfare, safety, advantage and convenience of the inhabitants of the Issuer, and, accordingly, it is hereby ordered, that there be acquired and constructed certain additions, extensions and improvements to the existing waterworks facilities of the Issuer, consisting of a water storage tank and water extensions to the Dallas Pike, Woodland Farms and Caldwell Run areas of Ohio County and the No. 2 Ridge and Sand Hill areas of Marshall County, and all necessary appurtenant facilities (the "Project"), particularly described in and according to the plans and specifications prepared by the Consulting Engineer and heretofore filed in the office of the Secretary of the Public Service Board (the "Governing Body") of the Issuer. The Issuer will purchase water from the City of Wheeling pursuant to a water purchase contract between the Issuer and said City. The Issuer will also purchase water from Marshall County Public Service District No. 1 pursuant to a water purchase contract between the Issuer and said District. The existing waterworks facilities of the Issuer, together with the Project and any further additions, extensions or improvements thereto is herein called the "System." The acquisition and construction of the Project and the financing hereby authorized and provided for are public purposes of the Issuer and are ordered for the purpose of meeting and serving public convenience and necessity.

C. The estimated revenues to be derived in each year from the operation of the System after completion of the Project will be sufficient to pay all the costs of the operation and maintenance of the System, the principal of and interest on the 1992 Bonds and the Prior Bonds (as hereinafter defined) and all debt service, reserve fund and other payments provided for herein.

D. The estimated maximum cost of the acquisition and construction of the Project is \$1,506,825, of which \$1,091,000 will be obtained from the proceeds of sale of the 1992 Bonds herein authorized and \$415,825 from a grant by the United States Department of Housing and Urban Development (Small Cities Block Grant).

E. It is necessary for the Issuer to issue its revenue bonds in the total aggregate principal amount of \$1,091,000 in three series, being the 1992 A Bonds in the aggregate principal amount of \$284,000, the 1992 B Bonds in the aggregate principal amount of \$616,000 and the 1992 C Bonds in the aggregate principal amount of \$191,000 to permanently finance a portion of the cost of such acquisition and construction in the manner hereinafter provided. The cost of such acquisition and construction shall be deemed to include, without being limited to, the acquisition and construction of the Project; the acquisition of any necessary property, real or personal, or interest therein; interest on the 1992 Bonds prior to, during and for six months after completion of such construction to the extent

that revenues of the System are not sufficient therefor; engineering and legal expenses; expenses for estimates of costs and revenues; expenses for plans, specifications and surveys; and such other expenses as may be necessary or incidental to the acquisition and construction of the Project and the financing authorized hereby; provided that, reimbursement to the Issuer for any amounts expended by it for the repayment of indebtedness incurred for Costs of the Project by the Issuer shall be deemed Costs of the Project.

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

G. There are outstanding obligations of the Issuer which will rank senior and prior to the 1992 Bonds as to liens, pledge and source of and security for payment, being the Water Revenue Bonds, Series B, dated August 1, 1970 (the "1970 Bonds"), issued in the original principal amount of \$350,000, and held by or through General Electric Capital Corporation, and the Water Revenue and Refunding Bond, Series 1980, dated March 10, 1981 (the "1980 Bond"), issued in the original principal amount of \$3,060,000, and held by the Purchaser (as hereinafter defined). The 1970 Bonds and the 1980 Bond are hereinafter collectively referred to as the "Prior Bonds."

Other than the Prior Bonds, there are no other outstanding bonds or obligations of the Issuer which will rank prior to or on a parity with the 1992 Bonds as to liens, pledge and/or source of and security for payment.

The Issuer is not in default under the terms of the Prior Bonds or any resolution or document in connection therewith, and has complied with all requirements of all the foregoing with respect to the issuance of subordinate bonds or has obtained a sufficient and valid waiver thereof.

H. It is in the best interest of the Issuer that the 1992 Bonds be sold to the United States Department of Agriculture, Farmers Home Administration (the "Purchaser"), pursuant to the terms and provisions of a Letter of Conditions dated March 22, 1988, an amended Letter of Conditions dated July 7, 1989, an amended Letter of Conditions dated May 18, 1990, an amended Letter of Conditions dated May 24, 1991, an amended Letter of Conditions dated October 15, 1991, and all amendments thereto (collectively, the "Letter of Conditions").

I. The Issuer has complied with all requirements of law relating to the authorization of the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the 1992 Bonds, or will have so complied prior to issuance of the

1992 Bonds, including among other things and without limitation, the consent and approval, pursuant to the Act and other applicable provisions of law, of the issuance of the 1992 Bonds, the acquisition and construction of the Project and the imposition of rates and charges by the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which have expired.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the 1992 Bonds by those who shall be the registered owners of the same from time to time, this Resolution (the "Bond Legislation") shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, and the covenants and agreements set forth herein to be performed by the Issuer shall be for the benefit, protection and security of the registered owners of the 1992 Bonds.

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

"Act" means Chapter 16, Article 13A of the West Virginia Code of 1931, as amended.

"1992 A Bond" or "1992 A Bonds" means the \$284,000 Water Revenue Bond, Series 1992 A, authorized hereby to be issued pursuant to this Bond Legislation.

"1992 B Bond" or "1992 B Bonds" means the \$616,000 Water Revenue Bond, Series 1992 B, authorized hereby to be issued pursuant to this Bond Legislation.

"1992 C Bond" or "1992 C Bonds" means the \$191,000 Water Revenue Bond, Series 1992 C, authorized hereby to be issued pursuant to this Bond Legislation.

"1992 Bond" or "1992 Bonds" means, collectively or individually, without distinction, the 1992 A Bond, the 1992 B Bond and the 1992 C Bond authorized hereby.

"Bond Legislation" means this Resolution and all resolutions supplemental hereto and amendatory hereof.

"Bonds" means, collectively, the 1992 Bonds and the Prior Bonds.

"1970 Bonds" means the outstanding Water Revenue Bonds of the Issuer, dated August 1, 1970, described in Section 1.02G hereof.

"1980 Bond" means the outstanding Water Revenue and Refunding Bond, Series 1980, of the Issuer, dated March 10, 1981, described in Section 1.02G hereof.

"Chairman" means the Chairman of the Governing Body.

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

"Consulting Engineer" means Cerrone & Associates, Inc., Wheeling, West Virginia, or any qualified engineer or firm of engineers which shall at any time hereafter be retained by the Issuer as Consulting Engineer for the System.

"Depository Bank" means WesBanco Elm Grove, Wheeling, West Virginia, a bank or trust company which is a member of FDIC (herein defined), and its successors and assigns.

"Facilities" or "waterworks facilities" means all the tangible properties of the System and also any tangible properties which may hereafter be added to the System by additions, betterments, extensions and improvements thereto and properties, furniture, fixtures or equipment therefor, hereafter at any time constructed or acquired.

"FDIC" means the Federal Deposit Insurance Corporation.

"Fiscal Year" means each year beginning on September 1 and ending on August 31 of such year.

"Governing Body" means the Public Service Board of the Issuer.

"Government Obligations" means direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America.

"Herein" or "herein" means in this Bond Legislation.

"Issuer" or "Borrower" or "District" means Ohio County Public Service District, in Ohio, Brooke and Marshall Counties, West Virginia, and includes the Governing Body.

"Letter of Conditions" means the Letter of Conditions of the Purchaser dated March 22, 1988, an amended Letter of Conditions of the Purchaser dated July 7, 1989, an amended Letter of Conditions of the Purchaser dated May 18, 1990, an amended Letter of Conditions dated

May 24, 1991, an amended Letter of Conditions dated October 15, 1991, and all amendments thereto.

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

"Operating Expenses" means the current expenses, paid or accrued, of operation and maintenance of the System and its facilities, and includes, without limiting the generality of the foregoing, insurance premiums, salaries, wages and administrative expenses of the Issuer relating and chargeable solely to the System, the accumulation of appropriate reserves for charges not annually recurrent but which are such as may reasonably be expected to be incurred, and such other reasonable operating costs as are normally and regularly included under recognized accounting principles and retention of a sum not to exceed 1/6th of the budgeted Operating Expenses stated above for the current year as working capital, and language herein requiring payment of Operating Expenses means also retention of not to exceed such sum as working capital, provided that all monthly amortization payments upon the Bonds and into the Water Bonds Reserve Fund, the 1992 Reserve Fund and the Capital Expenditures Fund have been made to the last monthly payment date prior to the date of such retention.

"Prior Bonds" means, collectively, the outstanding 1970 Bonds and 1980 Bond of the Issuer described in Section 1.02G hereof.

"Prior Resolutions" means, collectively, the 1970 Resolution and the 1980 Resolution, all hereinafter defined.

"Project" shall have the meaning stated in Section 1.02B above.

"Purchaser" or "Government" means United States Department of Agriculture, Farmers Home Administration, and any successor thereof.

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

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

evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

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

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

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

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

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments

securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor, must have (or its agent must have) possession of such collateral, and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia State Board of Investments 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 excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service or Standard & Poor's Corporation.

"Registered Owners," "Bondholders," "Holders of the Bonds" or any similar term means any person who shall be the registered owner of the Bonds.

"Registrar" means the Issuer, which shall usually so act by its Secretary.

"Resolutions" means, collectively, the 1970 Resolution, the 1980 Resolution and the Bond Legislation.

"1970 Resolution" means the resolution of the Issuer adopted August 16, 1971, authorizing the 1970 Bonds.

"1980 Resolution" means the resolution of the Issuer adopted March 10, 1981, authorizing the 1980 Bond.

"Revenues" or "Gross Revenues" means all rates, rents, fees, charges or other income received by the Issuer, or accrued to the Issuer, or any department, board, agency or instrumentality thereof in control of the management and operation of the System, from the operation of the System, and all parts thereof, all as calculated in accordance with sound accounting practices.

"Secretary" means the Secretary of the Governing Body.

"System" means the waterworks of the Issuer as improved, enlarged and expanded by the Project, and includes the complete waterworks system of the Issuer and all waterworks facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the waterworks system; and shall also include any and all additions, extensions, improvements, properties or other facilities at any time acquired or constructed for the waterworks system of 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, and words importing persons shall include firms and corporations.

Section 1.05. Compliance with Requirements of Prior Bonds and Prior Resolutions. The issuance of the 1992 Bonds junior and subordinate to the Prior Bonds is permitted under the terms of the Prior Bonds and the Prior Resolutions, and the Issuer has complied with the terms of the Prior Bonds and the Prior Resolutions with respect to the issuance of the 1992 Bonds or obtained a waiver thereof. The Issuer is not in default under the terms of the Prior Bonds, the Prior Resolutions or any document or agreement in connection therewith and has complied with all requirements of all the foregoing with respect to the issuance of the 1992 Bonds.

ARTICLE II

AUTHORIZATION OF ACQUISITION AND
CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized the acquisition and construction of the Project, at an estimated cost of \$1,506,825 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 1992 Bonds hereby authorized shall be applied as provided in Article IV hereof.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND ISSUE OF 1992 BONDS

Section 3.01. Authorization of 1992 Bonds. Subject and pursuant to the provisions of the Bond Legislation, the 1992 Bonds of the Issuer, to be known as "Water Revenue Bond, Series 1992 A," "Water Revenue Bond, Series 1992 B" and "Water Revenue Bond, Series 1992 C," are hereby authorized to be issued in the respective principal amounts of \$284,000, \$616,000 and \$191,000 for a total aggregate principal amount of not exceeding \$1,091,000 for the purpose of permanently financing a portion of the cost of the acquisition and construction of the Project.

Section 3.02. Description of 1992 Bonds. A. The 1992 A Bond shall be issued in single form, numbered AR-1, only as a fully registered Bond, and shall be dated the date of delivery thereof. The 1992 A Bond shall bear interest from the date of delivery, payable monthly at the rate of 6.625% per annum, and shall be sold for the par value thereof.

B. The 1992 B Bond shall be issued in single form, numbered BR-1, only as a fully registered Bond, and shall be dated the date of delivery thereof. The 1992 B Bond shall bear interest from the date of delivery, payable monthly at the rate of 6.625% per annum, and shall be sold for the par value thereof.

C. The 1992 C Bond shall be issued in single form, numbered CR-1, only as a fully registered Bond, and shall be dated the date of delivery thereof. The 1992 C Bond shall bear interest from the date of delivery, payable monthly at the rate of 6.625% per annum, and shall be sold for the par value thereof.

The 1992 Bonds shall be subject to prepayment of scheduled monthly installments, or any portion thereof, at the option of the Issuer, and shall be payable as provided in the Bond form hereinafter set forth.

Section 3.03. Negotiability, Registration, Transfer and Exchange of 1992 Bonds. The 1992 Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code of the State of West Virginia, but the 1992 Bonds, and the right to principal of and stated interest thereon, may only be transferred by transfer of the registration thereof upon the books required to be kept pursuant to Section 3.04 hereof, by the party in whose name it is registered, in person or by attorney duly authorized

in writing, upon surrender of the applicable 1992 Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Registrar. No interest on the 1992 Bonds shall be transferable except by means of transfer of registration of a 1992 Bond representing such interest and delivery of a new 1992 Bond or 1992 Bonds in exchange therefor in accordance with this Bond Legislation.

Whenever any 1992 Bond shall be surrendered for registration of transfer, the Issuer shall execute and deliver a new 1992 Bond or 1992 Bonds in authorized denominations, for a like aggregate principal amount. The Registrar shall require the payment by the new owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, but the Issuer shall pay any other expenses incurred by the Registrar with respect to such transfer.

No registration of transfer of any 1992 Bond shall be permitted to be made after the 15th day next preceding any installment payment date on the 1992 Bonds.

Section 3.04. Registrar. The Issuer shall be the Registrar and will keep, or cause to be kept by its agent, at its office, sufficient books for the registration and transfer of the 1992 Bonds, and, upon presentation for such purpose, the Registrar shall, under such reasonable regulations as it may prescribe, register each 1992 Bond initially issued pursuant hereto and register the transfer, or cause to be registered by its agent, on such books, the transfer of any 1992 Bond as hereinbefore provided.

The Registrar shall accept a 1992 Bond for registration or transfer only if ownership thereof is to be registered in the name of the Government, an individual (including joint ownership), a corporation, a partnership or a trust, and only upon receipt of the social security number of each individual, the federal employer identification number of each corporation or partnership or the social security numbers of the settlor and beneficiaries of each trust and the federal employer identification number and date of each trust and the name of the trustee of each trust and/or such other identifying number and information as may be required by law. The 1992 Bonds shall initially be fully registered as to both principal and interest in the name of the United States of America, Farmers Home Administration (the "Government"). So long as the 1992 Bonds shall be registered in the name of the Government, the address of the Government for registration purposes shall be Post Office Box 678, Morgantown, West Virginia 26505, or such other address as shall be stated in writing to the Issuer by the Government.

Section 3.05. Execution of 1992 Bonds. The 1992 Bonds shall be executed in the name of the Issuer by the Chairman and its corporate seal shall be affixed thereto and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the 1992 Bonds shall cease to be such officer of the Issuer before the 1992 Bonds so signed and sealed have been actually sold and delivered, such 1992 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such 1992 Bonds had not ceased to hold such office. The 1992 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such 1992 Bonds shall hold the proper office in the Issuer, although at the date of such 1992 Bonds such person may not have held such office or may not have been so authorized.

Section 3.06. 1992 Bonds Mutilated, Destroyed, Stolen or Lost. In case any 1992 Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new 1992 Bond of like tenor as the 1992 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated 1992 Bond or in lieu of and substitution for the 1992 Bond destroyed, stolen or lost, and upon the holder's furnishing the Issuer proof of his, her or its ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may require. The 1992 Bond so surrendered shall be canceled and held for the account of the Issuer. If the 1992 Bond shall have matured or be about to mature, instead of issuing a substitute 1992 Bond the Issuer may pay the same, and, if such 1992 Bond be destroyed, stolen or lost, without surrender thereof.

Section 3.07. 1992 Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the 1992 Bonds shall be secured forthwith equally by a lien on the Net Revenues derived from the System in addition to the statutory mortgage lien on the System hereinafter provided for, but such liens and pledge are junior and subordinate to the liens and pledge of the Prior Bonds. The Net Revenues derived from the System in an amount sufficient to pay the principal of and interest on the 1992 Bonds, and to make the payments as hereinafter provided, are hereby irrevocably pledged to the payment of the principal of and interest on the 1992 Bonds as the same become due as herein provided.

Section 3.08. Form of 1992 Bonds. Subject to the provisions hereof, the text of the 1992 Bonds and the other details thereof shall be of substantially the following tenor, with such omissions, insertions and variations as may be authorized or permitted hereby or any resolution adopted after the date of adoption hereof and prior to the issuance thereof:

(FORM OF 1992 BONDS)

WATER REVENUE BOND, SERIES 1992 _____

OHIO COUNTY PUBLIC SERVICE DISTRICT

\$ _____

No. R-1

Date: _____

FOR VALUE RECEIVED, OHIO COUNTY PUBLIC SERVICE DISTRICT (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture (the "Government"), or its registered assigns, at its National Finance Office, St. Louis, Missouri 63103, or at such other place as the Government may hereafter designate in writing, the principal sum of _____ (\$ _____), plus interest on the unpaid principal balance at the rate of _____% per annum. The said principal and interest shall be paid in the following installments on the following dates: Monthly installments of interest only, commencing 30 days following delivery of the Bond and continuing on the corresponding day of each month for the first 24 months after the date hereof, and \$ _____, covering principal and interest, thereafter on said corresponding day of each month, except that the final installment shall be paid at the end of 40 years from the date of this Bond, in the sum of the unpaid principal and interest due on the date thereof, and except that prepayments may be made as provided hereinbelow. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

Every payment made on any indebtedness evidenced by this Bond shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Farmers Home Administration according to the source of funds involved, shall, after

payment of interest, be applied to the installments last to become due under this Bond and shall not affect the obligation of Borrower to pay the remaining installments as scheduled herein.

If the Government at any time assigns this Bond and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder.

While this Bond is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment by Borrower and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to preserve or protect any security herefor, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

This Bond, together with any additional bonds ranking on a parity herewith which may be issued and outstanding for the purpose of providing funds for financing costs of additions, extensions and improvements to the waterworks system (the "System") of the Borrower, is payable solely from the revenues to be derived from the operation of the System after there have been first paid from such revenues the reasonable current costs of operation and maintenance of the System. This Bond does not in any manner constitute an indebtedness of the

Borrower within the meaning of any constitutional or statutory provision or limitation.

Registration of this Bond is transferable by the registered owner hereof in person or by his, her or its attorney duly authorized in writing, at the office of the Borrower, as Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the herein defined Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds, of authorized denomination or denominations, for the like principal amount, will be issued to the transferee in exchange herefor.

This Bond, under the provisions 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, but may only be transferred by transfer of registration hereof with the Registrar.

This Bond has been issued under and in full compliance with the Constitution and statutes of the State of West Virginia, including, among others, Chapter 16, Article 13A of the West Virginia Code, as amended (the "Act"), and a Resolution of the Borrower authorizing issuance of this Bond (the "Resolution").

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

This Bond is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farmers Home Rural Development Act. This Bond shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions hereof.

This Bond is on a parity, as to liens on, pledge and source of and security for payment from such revenues, and in all other respects, with the Water Revenue Bond, Series 19____ and the Water Revenue Bond, Series 19____, issued concurrently herewith in the respective original aggregate principal amounts of \$____ (the "19____ Bond") and \$____ (the "19____ Bond").

THIS BOND, THE 19____ BOND AND THE 19____ BOND ARE JUNIOR AND SUBORDINATE, AS TO LIENS ON, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT FROM SUCH REVENUES, AND IN ALL OTHER RESPECTS, TO THE 1970 BONDS AND 1980 BOND, ALL DEFINED AND DESCRIBED IN THE RESOLUTION.

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be executed by its Chairman and its corporate seal to be hereunto affixed or imprinted hereon and attested by its Secretary, all as of the date hereinabove written.

OHIO COUNTY PUBLIC SERVICE DISTRICT
(Name of Borrower)

[CORPORATE SEAL]

(Signature of Executive Official)

Chairman, Public Service Board
(Title of Executive Official)

P.O. Box 216
(P. O. Box No. or Street Address)

Triadelphia, West Virginia 26059
(City, State and Zip Code)

ATTEST:

(Signature of Attesting Official)

Secretary, Public Service Board
(Title of Executive Official)

[Form of Assignment]

ASSIGNMENT

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

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

Dated: _____, _____.

In the presence of:

ARTICLE IV

SYSTEM REVENUES AND APPLICATION THEREOF;
DISPOSITION OF 1992 BOND PROCEEDS; FUNDS AND ACCOUNTS

Section 4.01. Establishment and Continuation of Funds and Accounts with Depository Bank and Commission. A. The following special funds or accounts are hereby created and established with (or continued if previously established and/or continued by any one or more of the Prior Resolutions), and shall be held by, the Depository Bank separate, distinct and apart from all other funds or accounts of the Depository Bank and from each other:

- (1) Water Revenue Fund (established and/or continued by any one or more of the Prior Resolutions);
- (2) Capital Expenditures Fund (established and/or continued by any one or more of the Prior Resolutions);
- (3) 1992 Reserve Fund; and
- (4) Project Construction Account.

B. The following special funds or accounts previously established and/or continued by any one or more of the Prior Resolutions with the Commission are hereby continued, and shall be held by the Commission separate, distinct and apart from all other funds or accounts of the Commission and from each other:

- (1) Series B Debt Service Fund (established and/or continued by any one or more of the Prior Resolutions); and
- (2) Water Bonds Reserve Fund (established and/or continued by any one or more of the Prior Resolutions).

Section 4.02. 1992 Bond Proceeds; Project Construction Account. The proceeds of the sale of the 1992 Bonds shall be deposited upon receipt by the Issuer in the Project Construction Account. The moneys in the Project Construction Account in excess of the amount insured by FDIC shall be secured at all times by the Depository Bank by securities or in a manner lawful for the securing of deposits of State and municipal funds under West Virginia law.

Moneys in the Project Construction Account shall be expended by the Issuer solely for the purposes provided herein.

Moneys in the Project Construction Account shall be used solely to pay the cost of acquisition and construction of the Project upon vouchers and other documentation approved by the Purchaser.

Until completion of acquisition and construction of the Project, the Issuer will additionally transfer from the Project Construction Account and pay to the Purchaser on or before the due date, such sums as shall be from time to time required to make the monthly installments on the 1992 Bonds if there are not sufficient Net Revenues to make such monthly payment.

Pending application as provided in this Section 4.02, money and funds in the Project Construction Account shall be invested and reinvested at the direction of the Issuer, to the extent possible in accordance with applicable law, in Qualified Investments.

When construction of the Project has been completed and all costs thereof have been paid or provision for such payment has been made, any balance remaining in the Project Construction Account shall be disposed of in accordance with the regulations of the Purchaser.

Section 4.03. Covenants of the Issuer as to System Revenues and Funds. So long as any of the Bonds shall be outstanding and unpaid, or until there shall have been set apart in the 1992 Reserve Fund and the Water Bonds Reserve Fund, sums sufficient to pay, when due or at the earliest practical prepayment date, the entire principal of the respective Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of such payment, the Issuer further covenants with the holders of the Bonds as follows:

A. WATER REVENUE FUND. The entire Gross Revenues derived from the operation of the System, and all parts thereof, and all Tap Fees received, shall be deposited as collected by the Issuer in the Water Revenue Fund. The Water Revenue Fund shall constitute a trust fund for the purposes provided in the Resolutions and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner provided in the Resolutions.

B. DISPOSITION OF REVENUES. All Revenues at any time on deposit in the Water Revenue Fund shall be disposed of only in the following manner, order and priority, subject to and in accordance with the terms of the Prior Resolutions and this Bond Legislation:

(i) The Issuer shall first each month pay from the moneys in the Water Revenue Fund all current Operating Expenses.

(ii) The Issuer shall next, simultaneously, not later than the 25th day of each month, but in any event not later than the due date of each monthly installment on the 1980 Bond, (a) transfer from the Water Revenue Fund and pay to the National Finance Office designated in the 1980 Bond the amount required to pay the interest on the 1980 Bond, and to amortize the principal of the 1980 Bond over the life of the 1980 Bond issue and (b) transfer from the Water Revenue Fund and pay to the Commission, for deposit in the Series B Debt Service Fund, one-sixth of the semi-annual interest payment and one-twelfth of the annual principal payment next becoming due on the 1970 Bonds.

(iii) The Issuer shall next, by the 15th day of each month, transfer from the Water Revenue Fund and deposit with the Commission in the Water Bonds Reserve Fund, $1/12$ of $1/10$ of the maximum amount of principal and interest becoming due on the Prior Bonds in any year until the amount in the Water Bonds Reserve Fund equals the sum of \$202,663, such sum being herein called the "Prior Bonds Minimum Reserve." After the Prior Bonds Minimum Reserve has been accumulated in the Water Bonds Reserve Fund, the Issuer shall monthly deposit into the Water Bonds Reserve Fund such part of the moneys remaining in the Water Revenue Fund, after such provision for payment of monthly installments on the Prior Bonds and for payment of operating expenses of the System, as shall be required to maintain the Prior Bonds Minimum Reserve in the Water Bonds Reserve Fund. Moneys in the Water Bonds Reserve Fund shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the Prior Bonds as the same shall become due or for prepayment of installments on the Prior Bonds, or for mandatory prepayment of the Prior Bonds as hereinafter provided, and for no other purpose.

(iv) After all the foregoing provisions for use of moneys in the Water Revenue Fund have been

fully complied with, the Issuer shall next, each month, on or before the due date of payment of each installment on the 1992 Bonds, transfer from the Water Revenue Fund and pay or remit to the National Finance Office designated in the 1992 Bonds (or such other place as may be subsequently designated pursuant to the 1992 Bonds), the amounts required to pay the interest on the 1992 Bonds, and to amortize the principal of the 1992 Bonds over the respective lives of each 1992 Bond issue. All payments with respect to principal of and interest on the 1992 Bonds shall be made on an equal pro rata basis in accordance with the respective aggregate principal amounts thereof outstanding and on a parity with each other.

(v) The Issuer shall next, each month, transfer from the Water Revenue Fund and deposit in the 1992 Reserve Fund, 1/12th of 1/10th of the amount equal to the maximum amount of principal and interest becoming due on the 1992 Bonds in any year, until the amount in the 1992 Reserve Fund equals such maximum amount (the "1992 Minimum Reserve"). After the 1992 Minimum Reserve has been accumulated in the 1992 Reserve Fund, the Issuer shall monthly deposit into the 1992 Reserve Fund such part of the moneys remaining in the Water Revenue Fund, after such provision for the payments hereinabove provided, as shall be required to maintain the 1992 Minimum Reserve in the 1992 Reserve Fund. Moneys in the 1992 Reserve Fund shall be used solely to make up any deficiency for monthly payments of the principal of and interest on the 1992 Bonds to said National Finance Office (or other place provided) as the same shall become due or for prepayment of installments on the 1992 Bonds, or for mandatory prepayment of the 1992 Bonds as hereinafter provided, and for no other purpose; provided, however, that when the 1992 Minimum Reserve has been accumulated in the 1992 Reserve Fund, all earnings of investments of moneys therein shall at least annually be transferred to and deposited in the Water Revenue Fund and used for prepayment of the principal of the 1992 Bonds.

(vi) The Issuer shall next, by the 15th day of each month, transfer from the Water Revenue Fund and deposit in the Capital Expenditures Fund, the moneys remaining in the Water Revenue Fund and not permitted to be retained therein, until there has been accumulated in the Capital Expenditures Fund the aggregate sum of \$200,000 and thereafter such sums as shall be required to maintain such amount therein. Moneys in the Capital Expenditures Fund shall be used, first, to make up any deficiencies for monthly payments of principal of and interest on the Prior Bonds and next to restore to the Water Bonds Reserve Fund any sum or sums transferred therefrom, on a pro rata and parity basis, and, thereafter, to meet principal, interest and reserve payments upon the 1992 Bonds, on a subordinate basis, to the extent that moneys in the 1992 Reserve Fund are insufficient therefor. Thereafter, and provided that payments into the Water Bonds Reserve Fund and the 1992 Reserve Fund are current and in accordance with the foregoing provisions, moneys in the Capital Expenditures Fund may be withdrawn by the Issuer and used for extraordinary repairs and for replacements of equipment and for improvements for the System, or any part thereof.

(vii) After all the foregoing provisions for use of moneys in the Water Revenue Fund have been fully complied with, any moneys remaining therein and not permitted to be retained therein may be used to prepay installments of the Prior Bonds outstanding, pro rata as to each series, and, thereafter, to prepay installments of the 1992 Bonds, or for any lawful purpose.

Whenever the moneys in the Water Bonds Reserve Fund shall be sufficient to prepay the Prior Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the Prior Bonds at the earliest practical date and in accordance with applicable provisions hereof.

Whenever the moneys in the 1992 Reserve Fund shall be sufficient to prepay the 1992 Bonds in full, it shall be the mandatory duty of the Issuer, anything to the contrary herein notwithstanding, to prepay the 1992 Bonds at the

earliest practical date and in accordance with applicable provisions hereof.

The Depository Bank is hereby and by the Prior Resolutions designated as the Fiscal Agent for the administration of the 1992 Reserve Fund and the Capital Expenditures Fund as herein and therein provided, and all amounts required for the 1992 Reserve Fund and the Capital Expenditures Fund will be deposited therein by the Issuer upon transfers of funds from the Water Revenue Fund at the times provided herein and in the Prior Resolutions, together with written advice stating the amount remitted for deposit into each such fund.

The Commission is hereby and by the Prior Resolutions designated as the Fiscal Agent for the administration of the Series B Debt Service Fund and the Water Bonds Reserve Fund as herein and therein provided, and all amounts required for the Series B Debt Service Fund and the Water Bonds Reserve Fund will be remitted to the Commission from the Water Revenue Fund by the Issuer at the times provided herein and in the Prior Resolutions, together with written advice stating the amount remitted for deposit into each such fund.

All the funds provided for in this Article IV, other than the Project Construction Account, shall constitute trust funds and shall be used only for the purposes and in the order provided herein and in the Prior Resolutions, and until so used, the Purchaser shall have a lien thereon for further securing payment of the 1992 Bonds and the interest thereon, which lien shall be junior and subordinate to the liens of the Holders of the Prior Bonds, but the Depository Bank shall not be a trustee as to such funds.

If on any payment date the Revenues are insufficient to make the payments and transfers and to deposit the required amount in any of the funds and accounts as hereinabove and in the Prior Resolutions provided, the deficiency shall be made up in the subsequent payments and transfers in addition to those which would otherwise be required to be made on the subsequent payment dates.

Subject to the Prior Resolutions, the Fiscal Agents shall keep the moneys in the 1992 Reserve Fund, the Capital Expenditures Fund, the Series B Debt Service Fund and the Water Bonds Reserve Fund invested and reinvested to the fullest extent practicable in direct obligations of, or obligations the payment of the principal of and interest on

which are guaranteed by, the United States of America and having maturities not exceeding two years. Investments in any fund or account under this Bond Legislation shall, unless otherwise provided in the Prior Resolutions or herein, or unless otherwise required by law, be valued at the lower of cost or the then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held by the "consolidated fund" managed by the West Virginia State Board of Investments. Except as otherwise required in the Prior Resolutions, any investment shall be held in and at all times deemed a part of the fund or account in which such moneys were originally held, and interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. Earnings upon moneys in the Water Bonds Reserve Fund, so long as the Prior Bonds Minimum Reserve is on deposit and maintained therein, shall be remitted annually in January to the Issuer by the Commission for deposit in the Water Revenue Fund.

C. CHANGE OF DEPOSITORY BANK AND FISCAL AGENT. The Issuer may designate another bank or trust company insured by FDIC as Depository Bank and Fiscal Agent if the Depository Bank should cease for any reason to serve or if the Governing Body determines by resolution that the Depository Bank or its successor should no longer serve as Depository Bank and Fiscal Agent. Upon any such change, the Governing Body will cause notice of the change to be sent by registered or certified mail to the Purchaser and shall give such other notice as required under, and in the manner provided in, the Prior Resolutions.

D. USER CONTRACTS. The Issuer shall, prior to delivery of the 1992 Bonds, provide evidence that there will be at least 149 new bona fide users upon the System on completion of the Project, in full compliance with the requirements and conditions of the Purchaser.

E. CHARGES AND FEES. The Issuer shall remit from the Water Revenue Fund to the Depository Bank such additional sums as shall be necessary to pay the charges and fees of the Depository Bank then due.

F. INVESTMENT OF EXCESS BALANCES. The moneys in excess of the sum insured by FDIC in any of such funds or accounts shall at all times be secured, to the full extent

thereof in excess of such insured sum, in a lawful manner for securing deposits of state and municipal funds under the laws of the State of West Virginia.

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

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

ARTICLE V

GENERAL COVENANTS, ETC.

Section 5.01. General Statement. So long as the 1992 Bonds shall be outstanding and unpaid, or until there shall have been set apart in the 1992 Reserve Fund a sum sufficient to prepay the entire principal of the 1992 Bonds remaining unpaid, together with interest accrued and to accrue thereon to the date of prepayment, the covenants and agreements contained herein shall be and constitute valid and legally binding covenants between the Issuer and the Purchaser.

Section 5.02. Rates. The Issuer will, in the manner provided in the Act, fix and collect such rates, fees or other charges for the services and facilities of the System, and revise the same from time to time whenever necessary, as will always provide Revenues in each Fiscal Year sufficient to produce Net Revenues equal to the payment and deposits on account of the Prior Bonds, plus Net Revenues equal to not less than 110% of the annual debt service on the 1992 Bonds and sufficient to make the payments required herein into the 1992 Reserve Fund and the Capital Expenditures Fund and all the necessary expenses of operating and maintaining the System during such Fiscal Year and such rates, fees and other charges shall not be reduced so as to be insufficient to provide adequate Revenues for such purposes.

Section 5.03. Sale of the System. The System will not be sold without the prior written consent of the Purchaser so long as the 1992 Bonds are outstanding. Such consent will provide for disposition of the proceeds of any such sale.

Section 5.04. Issuance of Additional Parity Bonds or Obligations. No additional parity bonds or obligations payable out of any of the Revenues of the System shall be issued, except with the prior written consent of the Purchaser.

Section 5.05. Insurance and Bonds. The Issuer hereby covenants and agrees that it will, as an expense of construction, operation and maintenance of the System, procure, carry and maintain, so long as the 1992 Bonds remain outstanding, insurance with a reputable insurance carrier or carriers covering the following risks and in the following amounts:

- (a) Real Property Insurance, to be procured upon acceptance of any part of the Project from the contractor, and immediately upon any portion of the System now in use, on all above-ground

structures of the System and mechanical and electrical equipment in place or stored on the site in an amount equal to the full insurable value thereof. In the event of any damage to or destruction of any portion of the System, the Issuer will promptly arrange for the application of the insurance proceeds for the repair or reconstruction of such damaged or destroyed portion. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance to protect the interests of the Issuer during construction of the Project in the full insurable value thereof.

(b) Public Liability Insurance, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from the operation of the System, such insurance to be procured not later than the date of delivery of the 1992 Bonds.

(c) Vehicular Public Liability Insurance, in the event the Issuer owns or operates any vehicle in the operation of the System, or in the event that any vehicle not owned by the Issuer is operated at any time or times for the benefit of the Issuer, with limits of not less than \$500,000 for one or more persons injured or killed in one accident to protect the Issuer from claims for bodily injury and/or death, and not less than \$200,000 to protect the Issuer from claims for damage to property of others which may arise from such operation of vehicles, such insurance to be procured prior to acquisition or commencement of operation of any such vehicle for the Issuer.

(d) Workers' Compensation Coverage for All Employees of the District Eligible Therefor and Performance and Payment Bonds, such bonds to be in the amounts of 100% of the construction contract, will be required of each prime contractor, and such payment bonds have been or will be filed with the Clerk of the County Commission of said County prior to commencement of construction of the Project in compliance with

West Virginia Code Section 38-2-39. Workers' compensation coverage shall be maintained as required by the laws of the State of West Virginia.

(e) Flood Insurance to be procured, to the extent available at reasonable cost to the Issuer.

(f) Fidelity Bonds will be provided as to every member of the Governing Body and as to every officer and employee thereof having custody of the Water Revenue Fund or of any revenues or other funds of the Issuer in an amount at least equal to the total funds in the custody of any such person at any one time, and initially in the amount of \$50,000 upon the treasurer, provided, however, that no bond shall be required insofar as custody of the Project Construction Account is concerned so long as checks thereon require the signature of a representative of the Purchaser.

(g) Provided, however, and in lieu of and notwithstanding the foregoing provisions of this Section, during construction of the Project and so long as the 1992 Bonds are outstanding, the Issuer will carry insurance and bonds or cause insurance and bonds to be carried for the protection of the Issuer, and during such construction will require each contractor and subcontractor to carry insurance, of such types and in such amounts as the Purchaser may specify, with insurance carriers or bonding companies acceptable to the Purchaser.

Section 5.06. Statutory Mortgage. For the further protection of the Holders of the 1992 Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding and shall take effect immediately upon the delivery of the 1992 Bonds, but junior and subordinate to the liens in favor of the Holders of the Prior Bonds.

Section 5.07. Events of Default. Each of the following events is hereby declared an "Event of Default":

(a) Failure to make payment of any monthly amortization installment upon any 1992 Bond at the date specified for payment thereof; and

(b) Failure duly and punctually to observe or perform any of the covenants, conditions and agreements on the part of the Issuer contained in the 1992 Bonds or herein, or violation of or failure to observe any provision of any pertinent law.

Section 5.08. Enforcement. Upon the happening of any Event of Default specified above, then, and in every such case, the Purchaser may proceed to protect and enforce its rights by an appropriate action in any court of competent jurisdiction, either for the specific performance of any covenant or agreement, or execution of any power, or for the enforcement of any proper legal or equitable remedy as shall be deemed most effectual to protect and enforce such rights.

Upon application by the Purchaser, such court may, upon proof of such default appoint a receiver for the affairs of the Issuer and the System. The receiver so appointed shall administer the System on behalf of the Issuer, shall exercise all the rights and powers of the Issuer with respect to the System, shall proceed under the direction of the court to obtain authorization to increase rates and charges of the System, and shall have the power to collect and receive all revenues and apply the same in such manner as the court may direct.

Section 5.09. Fiscal Year; Budget. While the 1992 Bonds are outstanding and unpaid and to the extent not now prohibited by law, the System shall be operated and maintained on a Fiscal Year basis commencing on September 1 of each year and ending on the following August 31, which period shall also constitute the budget year for the operation and maintenance of the System. Not later than 30 days prior to the beginning of each Fiscal Year, the Issuer agrees to adopt the Annual Budget for the ensuing year, and no expenditures for operation and maintenance expenses of the System in excess of the Annual Budget shall be made during such Fiscal Year unless unanimously authorized and directed by the Governing Body. Copies of each Annual Budget shall be delivered to the Holders of the Prior Bonds and the Purchaser by the beginning of each Fiscal Year.

If for any reason the Issuer shall not have adopted the Annual Budget before the 1st day of any Fiscal Year, it shall adopt a Budget of Current Expenses from month to month until the adoption of the Annual Budget; provided, however, that no such monthly budget

shall exceed the budget for the corresponding month in the next year preceding by more than 10%; and provided further, that adoption of a Budget of Current Expenses shall not constitute compliance with the covenant to adopt an Annual Budget unless failure to adopt an Annual Budget be for a reason beyond the control of the Issuer. Each such Budget of Current Expenses shall be mailed immediately to the Holders of the Prior Bonds and the Purchaser.

Section 5.10. Compensation of Members of Governing Body. The Issuer hereby covenants and agrees that no compensation for policy direction shall be paid to the members of the Governing Body in excess of the amount permitted by the Act. Payment of any compensation to any such member for policy direction shall not be made if such payment would cause the Net Revenues to fall below the amount required to meet all payments provided for herein, nor when there is default in the performance of or compliance with any covenant or provision hereof.

Section 5.11. Covenant to Proceed and Complete. The Issuer hereby covenants to proceed as promptly as possible with the acquisition and construction of the Project to completion thereof in accordance with the plans and specifications prepared by the Consulting Engineer on file with the Secretary on the date of adoption hereof, subject to permitted changes.

Section 5.12. Books and Records; Audits. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and the Holders of the Prior Bonds and the Purchaser shall have the right at all reasonable times to inspect the System and all records, accounts and data of the Issuer relating thereto.

The Issuer shall, at least once a year, cause said books, records and accounts of the System to be properly audited by an independent competent firm of certified public accountants and shall mail a copy of such audit report to the Holders of the Prior Bonds and the Purchaser. The Issuer shall further comply with the Act with respect to such books, records and accounts.

Section 5.13. Maintenance of System. The Issuer covenants that it will continuously operate, in an economical and efficient manner, and maintain the System as a revenue-producing utility as herein provided so long as the 1992 Bonds are outstanding.

Section 5.14. No Competition. To the extent legally allowable, the Issuer will not permit competition with the System within its boundaries or within the territory served by it and will

not grant or cause, consent to or allow the granting of any franchise, permit or other authorization for any person, firm, corporation, public or private body, agency or instrumentality whatsoever to provide any of the services supplied by the System within the boundaries of the Issuer or within the territory served by the System.

ARTICLE VI

RATES, ETC.

Section 6.01. Initial Schedule of Rates and Charges; Rules.

A. The initial schedule of rates and charges for the services and facilities of the System, subject to change consonant with the provisions hereof, shall be as set forth in the Final Order of the Public Service Commission of West Virginia, entered on November 15, 1991, Case No. 91-386-PWD-CN, which Final Order is incorporated herein by reference as a part hereof.

B. There shall not be any discrimination or differential in rates between customers in similar circumstances.

C. All delinquent fees, rates and charges for services or facilities of the System shall be liens on the premises served of equal degree, rank and priority with the lien on such premises of state, county, school and municipal taxes, as provided in the Act. The Issuer shall have all remedies and powers provided under the Act and other applicable provisions of law with regard to the collection and enforcement of such fees, rates and charges.

D. The Issuer will not render or cause to be rendered any free services of any nature by the System nor any of the facilities; and in the event that the Issuer or any department, agency, officer or employee thereof should avail itself or themselves of the services or facilities of the System, the same fees, rates and charges applicable to other customers receiving like services under similar circumstances shall be charged, such charges shall be paid as they accrue, and revenues so received shall be deposited and accounted for in the same manner as other Revenues of the System.

E. The Issuer may require any applicant for any service by the System to deposit a reasonable and equitable amount to insure payment of all charges for the services rendered by the System, which deposit shall be handled and disposed of under the applicable rules and regulations of the Public Service Commission of West Virginia.

F. The Issuer, to the extent permitted by law, will not accept payment of any water bill from a customer served with water and sewer services by the Issuer without payment at the same time of a sewer bill owed by such customer for the same premises.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Payment of 1992 Bonds. If the Issuer shall pay or there shall otherwise be paid, to the Holders of the 1992 Bonds, the principal of and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then with respect to the 1992 Bonds, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the 1992 Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied.

Section 7.02. Modification or Amendment. The Bond Legislation may not be modified or amended after final passage without the prior written consent of the Purchaser.

Section 7.03. Delivery of 1992 Bonds Nos. AR-1, BR-1 and CR-1. The Chairman, Secretary and Treasurer of the Governing Body are hereby authorized and directed to cause the 1992 Bonds, Nos. AR-1, BR-1 and CR-1, hereby awarded to the Purchaser pursuant to prior agreement, to be delivered to the Purchaser as soon as the Purchaser will accept such delivery.

Section 7.04. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions hereof should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions hereof, and shall in no way affect the validity of all the other provisions hereof or the 1992 Bonds.

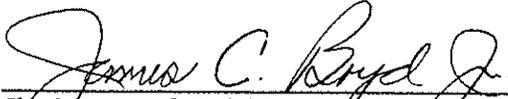
Section 7.05. Conflicting Provisions Repealed. All other resolutions and orders, or parts thereof, in conflict with the provisions hereof are, to the extent of such conflicts, hereby repealed; provided that this Section shall not be applicable to the Loan Resolution (Form FmHA 442-47) or the Prior Resolutions.

Section 7.06. Table of Contents and Headings. The Table of Contents and headings of the articles, sections and subsections hereof are for convenience only and shall neither control nor affect in any way the meaning or construction of any of the provisions hereof.

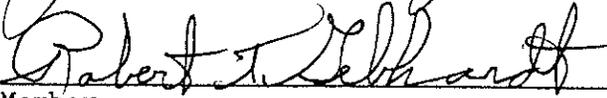
Section 7.07. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State applicable thereto; and that the Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 7.08. Effective Time. This Resolution shall take effect immediately upon its adoption.

Adopted: February 7, 1992



Chairman of Public Service Board



Member

Member

02/04/92
OCWJ.A4
67015/90001



United States Department of Agriculture

Rural Development

75 High Street, Room 320
Morgantown, WV 26505-7500
(304) 284-4860
FAX (304) 284-4893
TDD (304) 284-5941
(For the Deaf or Hard of Hearing)

**OHIO COUNTY PUBLIC SERVICE DISTRICT
WATER REVENUE BONDS, SERIES 2002A
WEST VIRGINIA INFRASTRUCTURE FUND**

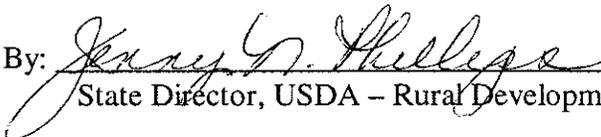
CONSENT TO ISSUANCE OF PARITY BOND AND PARITY LIEN

TO WHOM IT MAY CONCERN:

The undersigned duly authorized representative of the United States of America, acting through the Rural Utilities Service, United States Department of Agriculture, Rural Development, the present holder of the entire outstanding aggregate principal amount of Ohio County Public Service District's (the "Issuer") Water System Revenue Bonds, Series 1980, issued in the aggregate principal amount of \$3,060,000, Water Revenue Bonds, Series 1992, issued in the aggregate principal amount of \$284,000, Water Revenue Bonds, Series A and Series B issued in the aggregate principal amount of \$616,000, and Water Revenue Bonds, Series 1992 C, issued in the aggregate principal amount of \$191,000 (collectively, the "Prior Bonds") hereby (i) consents to the issuance of the Water Revenue Bonds, Series 2002 A (West Virginia Infrastructure Fund) (the "Series 2002 A Bonds"), in the original aggregate principal amount of \$528,000, by the Issuer, under the terms of the resolution authorizing the Series 2002 A Bonds, on a parity, with respect to liens, pledge and source of and security for payment, with the Prior Bonds (ii) hereby waives any requirements imposed by the Prior Resolution or otherwise regarding the issuance of parity obligations which are not met by the Series 2002 A Bonds and (iii) consents to any amendments made to the Prior Resolution by the Resolution or the Supplemental Resolution adopted by the Issuer.

WITNESS my signature on this 23rd day of April, 2002.

UNITED STATES OF AMERICA
RURAL DEVELOPMENT

By: 
State Director, USDA - Rural Development

OHIO COUNTY PUBLIC SERVICE DISTRICT

Water Revenue Bonds, Series 1970 B

EVIDENCE OF PAYMENT IN FULL OF SERIES 1970 BONDS

The undersigned, authorized representative of the West Virginia Municipal Bond Commission ("Commission") hereby certifies as follows:

The Commission, having sufficient monies in the District's Series 1970 Sinking Fund and Series 1970 Reserve Fund, upon the request of the District, called in full on February 1, 2002, and discharged all of the outstanding principal of and interest on, the Ohio County Public Service District Water Revenue Bond, Series B, dated August 1, 1970.

WITNESS my signature on this 30th day of May, 2002.

MUNICIPAL BOND COMMISSION



Authorized Representative

05/10/02
670150.00001

THIS AGREEMENT, Made this 5th day of ~~November~~ ^{March} 1968, by ¹⁹ and between THE CITY OF WHEELING, a municipal corporation of the State of West Virginia, hereinafter called "City", and the OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia, hereinafter called "District".

WHEREAS, prior to August, 1963, the District made formal application to City for water to be used by it in providing water service to customers residing within Ohio County and within the area of the Ohio County Public Service District not then served by the City of Wheeling, the water service of the District to be then constructed for certain areas of Ohio County; and,

WHEREAS, at its regular meeting on the 13th day of August, 1963, the Council of The City of Wheeling agreed that the City of Wheeling would provide water to the Ohio County Public Service District for the water system to be then constructed, at rates existing and approved by the Public Service Commission of West Virginia, and would permit the Ohio County Public Service District to connect with existing water mains of the City of Wheeling at points to be agreed upon between the parties; and

WHEREAS, said application for water and the City agreement to serve were embodied in a formal agreement entered into between City and District, dated the 7th day of July, 1964, which agreement set forth all of the terms and conditions upon which the City would provide water to the water system of the District which was then to be constructed, and upon which the District would receive and pay for the water so provided; and

WHEREAS, the District now intends to extend its water system by providing additional lines and water service to areas in Ohio County which

were not served by the original construction contemplated under said agreement dated July 7, 1964, and City and District desire to execute a new agreement under which City will provide water to District for its existing system and the contemplated additions thereto;

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth, it is mutually agreed between the parties as follows:

(1) In order that the Ohio County Public Service District may extend and enlarge its presently existing water system and serve new customers not included in the area of Ohio County contemplated by said agreement between the parties dated July 7, 1964, the City agrees with the District that it will, for a period of forty (40) years from and after the date of this agreement, furnish water to District for use at all points of its water system in providing water service throughout the existing system and the contemplated additions thereto, at a rate of flow which throughout the 24-hour period of each day shall not exceed 810 gallons per minute. In the event that there is an actual shortage of water and the City gives District notice that it must limit its water supply because of said actual water shortage, then the rate of flow to be furnished may be reduced to 784 gallons per minute. If City notifies District of the need to so limit its water supply, or notifies District of any unforeseen temporary and critical situation which of necessity causes a limitation of water supply, District agrees to cooperate to the fullest extent possible. For water so furnished, City will charge District the rates of the City of Wheeling now existing and approved by the Public Service Commission of West Virginia on February 3, 1964, effective March 1, 1964; Schedule No. 1 and Schedule No. 2 of said rates being made a part of this agreement by reference

as fully as if copied and incorporated herein. Any future change in the water rates of the City of Wheeling, approved by the Public Service Commission of West Virginia subsequent to the date of this agreement, shall from the effective date of such change apply to water furnished under this agreement, and shall be binding on the parties hereto.

(2) The City agrees that the Ohio County Public Service District shall have the right to connect with existing water mains of the City at such point or points as shall be agreed upon by the City Engineer, acting for The City of Wheeling, the method or manner for making such connection to be under the supervision of the City Engineer of The City of Wheeling.

(3) All booster or pumping stations serving the system of the District shall be located and constructed by it. Where any pumping or booster station connection or other installation is located upon ground belonging to the City, the City agrees that it will convey to the District such rights of way and easements as may be necessary.

(4) The meters indicating the water furnished to Ohio County Public Service District shall be located at points to be designated by the City Engineer of The City of Wheeling.

(5) It is covenanted and agreed between the parties that that portion of the water system of the District which is constructed within the Northern Parkway Area, as herein described, shall be constructed according to the standards of City which it applies to its own water system using the size of water mains required by the City, as approved in writing by the City Engineer of The City of Wheeling. The City Engineer of The City of Wheeling shall at any time have the right to inspect the work being done

by the contractors of Ohio County Public Service District in order to determine that the Northern Parkway portion of the District system is being constructed according to City standards and size of mains required, but all inspections undertaken and performed by the City shall be at its expense. Outside the Northern Parkway Area, the District's Engineer shall have the right to design the District water system according to established engineering practice for suburban areas, in accordance with nationally recognized AWWA and ASA standards.

(6) The Northern Parkway Area herein referred to is described as follows: Beginning at the most northeasterly corner of Warwood Terrace, thence following parallel to Glens Run and its southern fork and 1000 feet south thereof, to the westerly line of Shawnee Hills; thence with the westerly line of Shawnee Hills, to the Greggsville, Clinton and Potomac Road; thence with said road and the boundary of Oglebay Park to the easterly line of Leewood Park; thence with the easterly line of Leewood Park to a point 1000 feet south of State Route #88; thence east, parallel to Route #88 and 1000 feet distant therefrom, to a point 1000 feet west of Peters Run Road; thence, parallel to the Peter's Run Road and 1000 feet west thereof, to the present corporation line of the City of Wheeling; thence with the corporation line to the place of beginning.

(7) It is agreed between the parties hereto that all expenses, costs, fees and charges incurred in the construction of the water system of District, except inspection costs of the City of Wheeling specifically set out in Paragraph 5, shall be at the sole expense of the Ohio County Public Service District.

(8) It is expressly agreed that the City shall have the right to interconnect its water lines with the lines to be constructed by the District for the purpose of improving service to customers within the area presently served by water lines of the City, or for the purpose of rendering service to customers within the area defined in Paragraph 6, lying between areas then served by either of the parties. All costs of any such interconnection shall be at the sole expense of the City of Wheeling, and such arrangements for metering the water passing through City lines and District lines so interconnected shall be then made as shall be satisfactory to the parties. In the event the City system taps or extensions are supplied by lines of the District, the metered quantity of water used by the City shall be in addition to the daily limitation of Paragraph 1 of this agreement.

(9) It is further agreed between the parties that the City may tap its present customers into those mains of the District which are adjacent to and so located that they can reasonably serve such present customers, if the mains of the District have been completed for at least five years and such customers have not elected to connect their water system with the District. In such event, the volume of water metered to such customers shall be deducted from the master meter serving the District, and no payment shall be made therefor, provided that said customers are served without booster service. If a customer of the City is supplied with water which requires booster service of the District, then the City shall pay to the District the mutually established booster surcharge per 1,000 gallons. In instances where the District has excess pressure over the City service, and the City connects to the District system, then all responsibility for

pressure control shall become the responsibility of the City, and the City shall indemnify and save harmless the District from all claims relating to pressure damage arising therefrom.

(10) The revenue bonds heretofore issued and sold by the Ohio County Public Service District to secure funds to construct its presently existing water distribution system provided that The City of Wheeling should have the right at any time during the life of said bond issue, namely, forty (40) years, to furnish water directly to the water customers of District at the rates and charges then in effect for water customers of City, upon the written assumption by the City of the obligation to comply with all of the terms and conditions of said revenue bond issue. In the event City should hereafter elect to assume all of the obligations of said revenue bond issue, the holders of said bonds shall be entitled to all of the rights and remedies afforded them under the terms and provisions of the laws of the State of West Virginia now or hereafter enacted pertaining to the issuance of revenue bonds for the construction of a municipal water distribution system.

(11) It is agreed between the parties that the revenue bonds which will be hereafter issued and sold by the District to secure funds to construct additions to its presently existing water distribution system, shall expressly provide that The City of Wheeling shall have the right at any time during the life of said bond issue, namely forty (40) years from and after the date of said bonds, to furnish water directly to the water customers of the District upon payment by said customers of rates and charges then in effect for water customers of City, upon the written assumption by The City of Wheeling of the obligation to comply with all of the terms and provisions

of such revenue bond issue of the Ohio County Public Service District. In the event the City elects to assume all of the obligations of such revenue bond issue of the Ohio County Public Service District, the holders of said bonds shall be entitled to all of the rights and remedies afforded them under the terms and provisions of the laws of the State of West Virginia now or hereafter enacted pertaining to the issuance of revenue bonds for the construction of a municipal water distribution system.

(12) It is further agreed between the parties that when said revenue bonds heretofore issued and said revenue bonds to be hereafter issued by the Ohio County Public Service District for the construction of its existing water distribution system and its aforementioned additions thereto have been paid in full, that said water distribution system, together with the additions thereto, shall at the election of The City of Wheeling be transferred and conveyed by District to City. No further consideration other than this agreement of City to furnish water to District shall be paid to District by City for the conveyance and transfer of said water distribution system and said additions thereto from District to City. The election of City to have said existing water distribution system and said additions thereto transferred to it after said revenue bonds have been paid in full shall be made in writing within ninety (90) days from the date the City receives written notice from District that all of said revenue bonds have been paid in full. District agrees that within thirty (30) days after all of its said revenue bonds have been paid in full that it will give written notice of such payment to City.

(13) It is further agreed that as this agreement incorporates and amends the previous agreement between the parties dated July 7, 1964,

this agreement shall after the execution and delivery thereof become the only agreement between the parties, and said agreement dated July 7, 1964, is hereby rescinded.

IN WITNESS WHEREOF, The City of Wheeling has caused this agreement to be signed in its behalf by Thomas W. Lewis, its City Manager, and its corporate seal to be hereunto affixed by Robert L. Plummer, its City Clerk, by authority of an ordinance of the Council of The City of Wheeling regularly adopted on the 5th day of ~~November~~ ^{March}, 1968; and Ohio County Public Service District, a public corporation, has caused this agreement to be signed by George Snyder, Chairman of the Board of the Ohio County Public Service District, and its corporate seal to be hereunto affixed by authority of a resolution of the Board of Ohio County Public Service District regularly adopted on the 23rd day of ~~November~~ ^{January}, 1968.

THE CITY OF WHEELING, A MUNICIPAL CORPORATION,

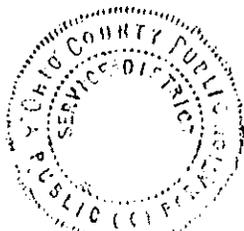
By Thomas W. Lewis
Its City Manager



OHIO COUNTY PUBLIC SERVICE DISTRICT, A PUBLIC CORPORATION,

By George Snyder
Chairman of the Board

(Corporate Seal)



THIS AGREEMENT, Made this 19th day of SEPTEMBER, 1979,
by and between THE CITY OF WHEELING, a municipal corporation of the
State of West Virginia, hereinafter called "City," and the OHIO COUNTY
PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia,
hereinafter called "District."

WHEREAS, there now exists between the parties a formal agreement
dated March 5, 1969, which agreement sets forth all of the terms and con-
ditions upon which the City provides water to the District for its water
system and upon which the District receives and pays for the water so pro-
vided; and

WHEREAS, the District is refinancing its existing bonded indebtedness
and borrowing additional funds for extensions to its water system into areas
of Ohio County which are not now served by the District, and the refunding
bonds to be issued will be payable over a period of forty years; and

WHEREAS, the District has requested an extension of the term of its
existing contract from March 5, 2009, for an additional eleven years, to
March 5, 2020, in order that the District can guarantee to its bondholders
the existence of a contract covering the period of the bond issue; and the
City and District desire to execute a supplemental agreement to guarantee
water to the District until March 5, 2020;

NOW, THEREFORE, it is mutually agreed between the parties as
follows:

The existing contract between the parties, dated March 5, 1969,
is hereby extended for an additional period of eleven years from and after
the expiration of the existing term thereof (March 5, 2009) and until the
5th day of March, 2020, upon the same terms and conditions as are set
forth in said agreement dated March 5, 1969.

IN WITNESS WHEREOF, The City of Wheeling has caused this agreement to be signed in its behalf by F. Wayne Barte, its Assistant City Manager, and its corporate seal to be hereunto affixed by Betty Lou Palmer, its City Clerk, by authority of an ordinance of the Council of The City of Wheeling regularly adopted on the 18th day of SEPTEMBER, 1979; and Ohio County Public Service District, a public corporation, has caused this agreement to be signed by Roland L. Hobbs, Chairman of the Board of the Ohio County Public Service District, and its corporate seal to be hereunto affixed by authority of a resolution of the Board of Ohio County Public Service District regularly adopted on the 26th day of July, 1979.

THE CITY OF WHEELING, A MUNICIPAL CORPORATION,

(Corporate Seal)

Attest: Betty Lou Palmer

By F. Wayne Barte

Its Assistant City Manager

OHIO COUNTY PUBLIC SERVICE DISTRICT,
A PUBLIC CORPORATION,

(Corporate Seal)

By Roland L. Hobbs

Chairman of the Board

September 11, 1979

AN ORDINANCE OF THE COUNCIL OF THE CITY OF WHEELING AUTHORIZING THE CITY MANAGER TO EXECUTE A PROPOSED AGREEMENT BETWEEN THE CITY OF WHEELING AND THE OHIO COUNTY PUBLIC SERVICE DISTRICT EXTENDING THE TERM OF THE EXISTING AGREEMENT, DATED MARCH 5, 1969, BY ELEVEN YEARS.

WHEREAS, The City of Wheeling and the Ohio County Public Service District on March 5, 1969, entered into an agreement by which the City committed itself to providing water to the District until March 5, 2009; and

WHEREAS, the District now desires to extend that term, and the City is willing;

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WHEELING:

Section 1. The City Manager is hereby authorized to execute that certain proposed agreement between The City of Wheeling and the Ohio County Public Service District, which agreement extends the term of the existing agreement dated March 5, 1969 by eleven years. A copy of the proposed agreement is attached hereto and by this reference made a part hereof.

Section 2. This ordinance shall be effective from the date of its passage.

By Mr. Stenger

JWE: _____

FAJ: AJ

PASSED BY THE COUNCIL OF THE CITY OF WHEELING, W. VA. AT A REGULAR MEETING HELD ON THE 18th DAY OF September, 1979. Charles L. Long MAYOR

I hereby certify that this is a true copy of an ordinance adopted by the Council of the City of Wheeling at its regular meeting held on September 18, 1979 and recorded in Ordinance Book No. 16.

Given under my hand and the seal of the City this 19th day of September, 1979.

Betty Ann Palmer
City Clerk

THIS AGREEMENT, Made this 8th day of November, 2000, by and between **THE CITY OF WHEELING**, a municipal corporation of the State of West Virginia, hereinafter called "City," and the **OHIO COUNTY PUBLIC SERVICE DISTRICT**, a public corporation and political subdivision of the State of West Virginia, hereinafter called "District."

WHEREAS, the parties to this agreement entered into a formal agreement dated March 5, 1969, which agreement sets forth all of the terms and conditions upon which the City provides water to the District for its water system and upon which the District receives and pays for the water so provided; and

WHEREAS, by agreement dated September 19, 1979, the parties amended the March 5, 1969, agreement to extend the term of the agreement until March 5, 2020; and

WHEREAS, the parties have agreed to an amendment of the existing agreement and wish to formally amend the existing agreement between the parties.

NOW, THEREFORE, WITNESSETH, that it is mutually agreed between the parties as follows:

The existing agreement between the parties dated March 5, 1969, and as amended by agreement dated September 19, 1979, is hereby amended as follows:

1. The term of this Agreement, as amended, shall be extended until forty (40) years from and after the date hereof.

2. Paragraph 1 of the Agreement dated March 5, 1969, is hereby amended to provide that the City will furnish water to the District at a rate of flow cumulated from all metering points through which the District receives water from the City which shall not exceed 2,000,000 gallons per day.

3. The District presently has a connection to the City's water system in Oglebay Park. The District's use of this connection point shall be limited to emergency situations, such as water main breaks, power failures, and pump problems. During such periods as the District has a need to use the Oglebay Park Tank, which period shall not exceed a continuous period of ninety-six (96) hours, the amount of water which may be taken and used by the District shall be as follows: (1) during the months of November through March, the maximum available flow will be 350 gallons per minute (0.5 MGD); and (2) during the months of April through October, the maximum available flow will be 208 gallons per minutes (0.3 MGD). In the event that Wheeling is unable to meet existing demands on the system as evidenced by the Oglebay Park and Boggs Hill tanks being below their midpoint, no water will be available to the District through the Oglebay Park line until the tank levels have been restored to a level equal to 75% of capacity.

4. In all other respects, the existing agreement between the parties dated March 5, 1969, and as amended by agreement dated September 19, 1979, shall remain in full force and effect.

IN WITNESS WHEREOF, The City of Wheeling has caused this agreement to be signed on its behalf by its City Manager, and its corporate seal to be hereunto affixed by its City Clerk, by authority of an ordinance of the Council of the City of Wheeling regularly adopted on the 19th day of June, 2000; and the Ohio County Public Service District has caused this agreement to be signed on its behalf by its Chairman of the Board, and its corporate seal to be hereunto affixed by authority of a resolution of the Board of the Ohio County Public Service District regularly adopted on the 8th day of November, 2000.

(Corporate Seal)

THE CITY OF WHEELING, a
municipal corporation,

By Wm A. Truman
Its City Manager

(Corporate Seal)

OHIO COUNTY PUBLIC SERVICE
DISTRICT, a public corporation,

By James C. Boyle Jr
Its Chairman of the Board

THIS AGREEMENT, Made this _____ day of January, 1999, by and between **OHIO COUNTY PUBLIC SERVICE DISTRICT**, hereinafter called "Ohio County," and the **VILLAGE OF VALLEY GROVE**, hereinafter called "Valley Grove."

WHEREAS, Valley Grove desires to construct approximately one thousand two hundred feet (1200') of six-inch (6") waterline, a meter, and a PRV pit to better serve the east end of the Village of Valley Grove on Route 40 to benefit the Valley Grove customers that have low water pressure; and

WHEREAS, Valley Grove desires to purchase water for its water system from Ohio County; and

WHEREAS, Ohio County desires to provide water to Valley Grove under the following terms and conditions.

NOW, THEREFORE, WITNESSETH: In consideration of the covenants and agreements hereinafter set forth, it is mutually agreed between the parties as follows:

1. In order that Valley Grove may construct and operate a water meter pit, PRV and lines to better serve the residents of the Village of Valley Grove, Ohio County agrees that it will, for a period of forty (40) years from and after the date of this Agreement, furnish water to Valley Grove at a mutually agreeable tie-in point at the east end of Valley Grove at or near the Valley Grove corporate limits.

2. Ohio County agrees to supply water at a rate of flow, which throughout the 24-hour period of each day shall not exceed thirty (30) gallons per minute. In the event of an actual shortage of water and Ohio County gives Valley Grove notice that it must limit its water supply because of such actual water shortage, then the rate of flow to be furnished may be reduced to ten (10) gallons per minute. If Ohio County notifies Valley Grove of the need to so limit its water supply or notifies Valley Grove of any unforeseen temporary and critical situation which of necessity causes a limitation of water supply, Valley Grove agrees to cooperate to the fullest reasonable extent.

3. For water furnished under this Agreement, Valley Grove agrees to pay Ohio County in accordance with the following formula: The volume of water used by Valley Grove shall be billed to the Village at the average rate per gallon for the Glenn's Run meter, plus a transportation charge of Seventy Cents (\$0.70) per one thousand (1,000) gallons of water used. The average rate per gallon for the Glenn's Run meter shall be calculated by dividing the number of thousand gallon units into the total amount of the most recent water bill issued by The City of Wheeling for the Glenn's Run meter.

4. The connection by Valley Grove to the Ohio County water system shall be made in a manner acceptable to and under the supervision of Ohio County.

5. The connection point between Ohio County and Valley Grove shall be equipped with a suitable six-inch (6") compound water meter, which shall be supplied and installed by Valley Grove at its sole expense and shall be located at a mutually agreeable point at the east end of Valley Grove on Route 40, at or near the corporate limits. Valley Grove shall transfer ownership of this meter to Ohio County, which shall thereafter be responsible for the maintenance of the meter at its sole expense. Valley Grove shall have the right to have the accuracy of the meter tested at its own expense at such times as it may deem advisable, and Valley Grove shall remain responsible for the operation and maintenance of the vault structure as well as all other piping and apparatus which may be housed within the same vault as the meter. The maintenance of the newly constructed six-inch (6") waterline between Ohio County's existing six-inch (6") waterline and the new meter, is hereby understood to be the sole responsibility of Ohio County. Once the meter is properly installed, operating, and accepted by Ohio County, Valley Grove shall transfer ownership of this meter and six-inch (6") waterline to Ohio County.

6. All expenses, costs, fees and charges incurred in the installation of the waterline, meter pit and any other improvements to the Valley Grove water system shall

be at the sole expense of Valley Grove, except that Ohio County shall bear the cost of its own personnel in locating, supervising or consulting concerning the project.

7. This Agreement shall constitute the only agreement between the parties and may be amended only by written amendment.

IN WITNESS WHEREOF, Ohio County Public Service District, a public corporation, has caused this Agreement to be signed by James C. Boyd, Jr., Chairman of the Board of the Ohio County Public Service District, and its corporate seal to be hereunto affixed by authority of a resolution of the Board of the Ohio County Public Service District regularly adopted on the _____ day of January 1999; and the Village of Valley Grove, a public corporation, has caused this Agreement to be signed by William H. Zink, Jr., Mayor of the Village of Valley Grove, and its corporate seal to be hereunto affixed by authority of a resolution of the Council of Valley Grove regularly adopted on the 12th day of January, 1999.

OHIO COUNTY PUBLIC SERVICE DISTRICT,
a public corporation,

(Corporate Seal)

By James C. Boyd Jr.
Its Chairman

VILLAGE OF VALLEY GROVE,
a public corporation,

(Corporate Seal)

By William H. Zink Jr.
Its Mayor

THIS ADDENDUM TO AGREEMENT, Made this 8th day of ~~August~~^{September}, 1999, by and between OHIO COUNTY PUBLIC SERVICE DISTRICT, hereinafter called "Ohio County," and the VILLAGE OF VALLEY GROVE, hereinafter called "Valley Grove."

WHEREAS, Ohio County and Valley Grove have heretofore entered into an Agreement in January, 1999, under which Valley Grove agreed to construct approximately one thousand two hundred feet (1,200') of six-inch (6") waterline, a meter, and a PRV pit to better serve the east end of the Village of Valley Grove on Route 40 to benefit the Valley Grove customers that have low water pressure and agreed to purchase water for its water system from Ohio County, and Ohio County agreed to provide water to Valley Grove under the terms and conditions stated in such agreement; and

WHEREAS, the Staff of the Public Service Commission of West Virginia issued a Further Final Joint Staff Memorandum on July 1, 1999, in which Staff recommended that the Agreement be approved by the Public Service Commission, "contingent upon receipt by the Commission of an acknowledgment by the Village of Valley Grove that they waive all rights to which they might be entitled under Rule 5.5 of the Public Service Commission's Water Rules;" and

WHEREAS, the parties hereto wish to provide such documentation to the Commission, even though the parties recognize that it would be extremely unlikely that any customer could become directly connected to the extension between its original beginning and original terminus.

NOW, THEREFORE, WITNESSETH: In consideration of the covenants and agreements hereinafter set forth, it is mutually agreed between the parties as follows:

1. That Valley Grove has had an opportunity to read and consider the terms of Rule 5.5 of the Rules and Regulations for the Government of Water Utilities.

2. That Valley Grove hereby waives any right to or claim for reimbursement under such Rule 5.5.

IN WITNESS WHEREOF, Ohio County Public Service District, a public corporation, has caused this Addendum to be signed by James C. Boyd, Jr., Chairman of the Board of the Ohio County Public Service District, and its corporate seal to be hereunto affixed by authority of a resolution of the Board of the Ohio County Public Service District regularly adopted on the 8 day of Sept., 1999; and the Village of Valley Grove, a public corporation, has caused this Agreement to be signed by William H. Zink, Jr., Mayor of the Village of Valley Grove, and its corporate seal to be hereunto affixed by authority of a resolution of the Council of Valley Grove regularly adopted on the 8 day of SEPT, 1999.

OHIO COUNTY PUBLIC SERVICE DISTRICT,
a public corporation,

(Corporate Seal)

By James C. Boyd Jr.
Its Chairman

VILLAGE OF VALLEY GROVE,
a public corporation,

(Corporate Seal)

By William H. Zink Jr.
Its Mayor



MUTUAL WATER PURCHASING AGREEMENT

THIS CONTRACT for the sale and purchase of water is entered into this 13th day of November, 1979, by and between OHIO COUNTY PUBLIC SERVICE DISTRICT, a West Virginia Public Service Corporation, hereinafter referred to as OHIO COUNTY and HAMMOND PUBLIC SERVICE DISTRICT, a West Virginia Public Service Corporation, hereinafter referred to as HAMMOND.

WITNESSETH:

WHEREAS, HAMMOND and OHIO COUNTY have been organized and established under the provisions of Chapter 16 of the West Virginia Code for the purpose of operating public water supply distribution systems serving water users within the areas permitted by the respective Orders of the Ohio County Commission and the Brooke County Commission, and as well, by the respective Orders and Certificates of Convenience and Necessity of the West Virginia Public Service Commission, and

WHEREAS, HAMMOND is presently undertaking the expansion of its system to provide water service to residents of Windsor Heights and Apple Pie Ridge Road in Brooke County, West Virginia, and various other places within its geographical confines, some of which are in close proximity to the lines and services of OHIO COUNTY near West Liberty, West Virginia, and

WHEREAS, approximately the first six thousand (6,000) feet of distribution line in Brooke County along Apple Pie Ridge Road running in a northerly direction from the Ohio County, Brooke County line, is at an elevation which is too high to be effectively served by HAMMOND, and

WHEREAS, approximately eight (8) customers along said six thousand (6,000) feet of distribution line have applied for water service and could be served by Ohio County Public Service Distribution, and

WHEREAS, OHIO COUNTY presently provides water service to various outlying areas of Ohio County, West Virginia, including the town of West Liberty; and

WHEREAS, OHIO COUNTY and HAMMOND recognize and anticipate the occasional emergency needs for a separate source of water supply when their own sources are interrupted through an act of God, disaster, breakdown, or other means, and OHIO COUNTY is willing to provide regular service to the customers described in the preceding paragraph, and

WHEREAS, at the completion of the present expansion project of HAMMOND, both of the parties hereto, would be willing and able to supply the other with water in the event of an emergency to the extent permitted by their respective sources of water supply, providing that a line connecting HAMMOND to West Liberty were installed, and

WHEREAS, the execution of this agreement would be in the best interest of the customers of both OHIO COUNTY and HAMMOND:

NOW, THEREFORE, in consideration of the foregoing premises and in further consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. Quality and Quantity

During an emergency failure of the water supply and/or pressure of either of the parties hereto caused by supply line breaks, power failure, flood, fire, the use of water to fight fires, earthquake, catastrophe, or an emergency of any kind, the other party to this agreement agrees to furnish the party without water, at the point of delivery near West Liberty during the term of this agreement or any renewal or extension thereof, potable treated water meeting applicable purity standards of the State Board of Health in such quantities as may be required by the District, providing that such quantity of water when added to the daily needs of the supplying District's customers does not overtax or jeopardize the ability of said supplying District to supply its own customers; providing that in any event the supplying District in an emergency will provide the other District such water as the other District may need so long as such efforts do not overtax or jeopardize its ability to supply its own customers.

Moreover, OHIO COUNTY agrees to provide regular water service to HAMMOND'S customers who are located along the approximately six thousand (6,000) feet of line which lies just north of the Ohio County, Brooke County line along Apple Pie Ridge Road. To this end, OHIO COUNTY will provide potable treated water meeting applicable purity standards of the State Board of Health in such quantities as may be required by said customers of HAMMOND with metering to be accomplished in the manner hereinafter set forth.

2. Point of Delivery and Pressure

To furnish water at a reasonably constant normal pressure from a six (6) inch main supply located at the Ohio County, Brooke County boundary line along Apple Pie Ridge Road near West Liberty, West Virginia. The line making the connection with the mains of Ohio County Public Service District will be constructed by HAMMOND at its own expense. That portion of the six (6) inch main which will be located in Ohio County shall be sold to Ohio County Public Service District for six thousand, eight hundred, sixty dollar and seventy-four cents (\$6,860.74). Ohio County Public Service District shall, at the time of transfer, charge HAMMOND a tap fee of six thousand, eight hundred, sixty dollars and seventy-four cents (\$6,860.74). The master meter, which shall be installed by HAMMOND, will be located at a meter pit at the County line which shall separate the two (2) systems, provided however, that a valve will be located at the northerly end of the six thousand (6,000) feet of line described above, which valve will remain closed except during an emergency failure of the water supply of either system. It is specifically agreed that even during periods when this valve remains closed that OHIO COUNTY will supply sufficient water to supply those customers described above who are located along the distribution line of HAMMOND on Apple Pie Ridge to the intersection of Wilhelm Road, which is approximately six thousand (6,000) feet north of the Ohio County, Brooke County line, where the main line valve will be closed to separate the two (2) sources of water supplied. The current water requirements for these customers is estimated to

be thirty thousand (30,000) gallons per month. This supply will be undertaken by OHIO COUNTY due to the fact that it is better able to provide water service to customers at that elevation than HAMMOND. It is understood however, that at peak periods, OHIO COUNTY may not be able to provide the minimum pressure requirements established by the West Virginia Public Service Commission and Department of Health and, accordingly, HAMMOND agrees to obtain waivers as to the pressure requirements from all customers in this area who will be supplied by OHIO COUNTY. The separation valve, which has been described above, shall be operated only after proper notification to the other party. Due to the high elevation between HAMMOND and OHIO COUNTY, it will be necessary for HAMMOND to isolate its Apple Pie Ridge tank by closing the inlet valve and manually activate its pumps in order to transfer water to the West Liberty area. If at a subsequent time either party determines that a greater or lesser pressure than that normally available for delivery is required, the cost of providing such greater or lesser pressure shall be borne by the party requiring greater or lesser pressure. Either party shall be excused from compliance with this agreement in the event that it is unable to supply its own customers by reason of emergency failure of pressure or supply due to supply line breaks, power failure, flood, fire, the use of water to fight fire, earthquake, catastrophe, or any other emergency of its own; such excused performance shall continue for such a reasonable period of time as may be necessary to restore its own service and operations. Provided that OHIO COUNTY will continue to supply water to the customers along the six thousand (6,000) feet of line described above in the same manner as it supplies its own customers.

OHIO COUNTY and HAMMOND agree that each party shall have the absolute right to inspect the lines from the OHIO COUNTY tank at West Liberty to the main line valve which will be located approximately six thousand (6,000) feet north of the Ohio County, Brooke County line to ascertain the presence of any leaks or line breaks which might adversely effect the water supply of the inspecting party. It is agreed by the parties that in the event that any

LAW OFFICES
SKY, BARNES,
SON, CUOMO,
HINERMAN
LEBURG, W. VA

such inspection should disclose the presence of a line break or leak that the inspecting party will immediately notify the other party and that the party so notified will take such immediate steps as may be necessary to correct any line break or leak which may occur on the section of the water line which belongs to the party so notified.

3. Metering Equipment

The parties hereto agree to install metering equipment at the Ohio County, Brooke County boundary line which will accurately and effectively measure the quantity of water delivered to the respective parties; such metering equipment shall include a meter hour or pit and required devices of standard type for properly measuring the quantity of water delivered and shall be calibrated not more frequently than once every twelve (12) months (but at least every two years) to register more than two percent (2%) above or below the accepted level for accuracy. The previous readings of any meter disclosed by tests to be inaccurate shall be corrected for the three (3) months previous to such tests in accordance with the percentage of such inaccuracy of such tests. If the meter or meters fail to register for any period, the parties hereto shall meet and attempt to ascertain as accurately as possible the quantity of water which was delivered during the period of failure. With respect to those customers of HAMMOND who will be regularly supplied by OHIO COUNTY, the parties agree that HAMMOND will pay for the quantity of water which is shown on the master meter, or the total of the readings on the meters of the individual customers, whichever is higher.

4. Billing Procedure

OHIO COUNTY agrees to furnish HAMMOND at its office not later than the 5th day of the month following the end of each quarter with an itemized statement of the amount of emergency water furnished HAMMOND during the preceding quarter.

HAMMOND agrees to furnish OHIO COUNTY at its office not later than the 5th day of the month following the end of each quarter

with an itemized statement of the emergency water furnished to OHIO COUNTY during the preceding quarter.

5. Rates and Payment Dates

HAMMOND agrees to pay to OHIO COUNTY not later than the 20th day of the month following the preceding quarter for water delivery in accordance with the existing rate structure for customers from the OHIO COUNTY PUBLIC SERVICE DISTRICT as approved by the West Virginia Public Service Commission or such other supervisory agency as may govern the rate structure for the sale of water which shall be in effect at the time the emergency water is supplied.

OHIO COUNTY agrees to pay to HAMMOND not later than the 20th day of the month following the preceding quarter for water delivery in accordance with the existing rate structure for customers from the HAMMOND PUBLIC SERVICE DISTRICT as approved by the West Virginia Public Service Commission or such other supervisory agency as may govern the rate structure for the sale of water which shall be in effect at the time the emergency water is supplied.

6. Term of Contract

This Contract shall commence with the completion of the present expansion project by HAMMOND which is anticipated at the present schedule to be completed in December of 1979. It shall continue and extend for a term of forty (40) years from the completion date, unless renewed or extended upon such terms and conditions as may be agreed upon in writing at that time by HAMMOND and OHIO COUNTY.

7. Failure to Deliver

The parties hereto will at all times operate and maintain their present and future systems in an efficient manner and will take such reasonable action as may be necessary to furnish the other with quantities of water required by the other in the emergency situations described above as it deems necessary subject to the limitations contained elsewhere herein which may relieve the respective parties from producing and supplying emergency water or which may permit the supplying party to reduce the amount of water supplied the other in accordance with this agreement. Temp-

orary or partial failures to deliver water shall be remedied by the supplying party with all possible dispatch. It is understood that the respective parties primary obligations are to their own customers within their own districts. This agreement is to furnish water only on an emergency basis, with the exception of the above described customers of HAMMOND who will be supplied on a regular basis. However, to the degree possible, each party will provide the other during an emergency with such quantities of water as it reasonably able to produce or obtain and distribute subject to the aforesaid limitations. In any event, the parties hereto will make an affirmative effort jointly and separately to assist each other during an emergency and to provide the parties suffering the emergency with such quantities of water as may be required during the emergency.

8. The Regulatory Agencies

This agreement is subject to such rules, regulations and laws as may be applicable to similar agreements in the State of West Virginia, and the parties hereto agree to submit this agreement to the West Virginia Public Service Commission or its successor or successors for ratification and approval.

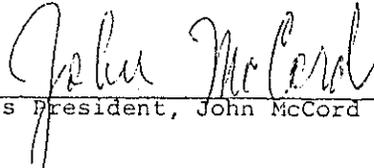
9. Successors to the Districts

That in the event of any occurrence rendering either or both districts incapable of performing under this agreement, the successor or successors to the district or districts (whether a result of legal process, easement or legislative enactment) shall succeed to the rights and obligations of the respective districts hereunder.

IN WITNESS WHEREOF the parties hereto acting under the authority of their respective governing bodies, have caused this agreement to be duly executed in two counter-parts each of which constitutes an original.

HAMMOND PUBLIC SERVICE DISTRICT,

BY:


Its President, John McCord

ATTEST:

Leona Kopf
Leona Kopf, Secretary

OHIO COUNTY PUBLIC SERVICE DISTRICT,

BY: [Signature]
Its President

ATTEST:

Daniel W. Dickinson
Its Secretary

STATE OF WEST VIRGINIA,

COUNTY OF OHIO, to-wit:

I, Mary Margaret Hare, a Notary Public in and for the County and State aforesaid, do certify that Roland L. Hobbs, President of the Ohio County Public Service District, and Daniel W. Dickinson, Secretary of the Ohio County Public Service District, whose names are signed to the foregoing writing bearing date the 13th day of November, 1979, for the Ohio County Public Service District have this day acknowledged the same before me in my said County and State to be the act and deed of said District.

Given under my hand this 13th day of November, 1979.

My commission expires: September 22, 1987.

Mary Margaret Hare
NOTARY PUBLIC

STATE OF WEST VIRGINIA,

COUNTY OF BROOKE, to-wit:

I, Cynthia A. [Signature], a Notary Public in and for the County and State aforesaid, do certify that John McCord, resident of Hammond Public Service District, and Leona Kopf, Secretary of the Hammond Public Service District, whose names are signed to the foregoing writing bearing date the 13th day of

November, 1979, for the Hammond Public Service District

W OFFICES
RY, BARNES.
BEN: BUDING.
MINERMAN
LEBURG, W. VA.

have this day acknowledged the same before me in my said County
and State to be the act and deed of said District.

Given under my hand this 27th day of November, 1979.

My commission expires: August 3, 1989.

Penelope Hood
NOTARY PUBLIC

AW OFFICES
JKY, BARNES,
SON, CUOMO,
HINERMAN
BURG, W. VA

WATER SERVICE AGREEMENT

THIS AGREEMENT, Made this 22nd day of September, 1995, by and between OHIO COUNTY PUBLIC SERVICE DISTRICT, a public utility with its principal address at 411 National Road, Post Office Box 216, Triadelphia, West Virginia 26059 (hereinafter "OCPSD"), and the TOWNSHIP OF WEST FINLEY, a political subdivision of the Commonwealth of Pennsylvania with its principal address at 164 Good Intent Road, Claysville, Pennsylvania 15323 (hereinafter "TOWNSHIP").

WHEREAS, TOWNSHIP desires to provide water service to certain of its citizens; and

WHEREAS, TOWNSHIP has applied for financing for the construction of a water distribution system through the Pennsylvania Infrastructure Investment Authority ("PENNVEST"), which project is in the application stage pending approval; and

WHEREAS, OCPSD operates a water distribution public utility in Brooke, Ohio and Marshall Counties in West Virginia and is in a position to be able to supply water to the proposed water distribution project; and

WHEREAS, TOWNSHIP desires to have OCPSD operate and maintain its new water system and supply water to the citizens of the Township which are connected to the water project; and

WHEREAS, the parties wish to define and state their respective responsibilities in writing.

NOW, THEREFORE, WITNESSETH: That for and in consideration of the mutual covenants and promises hereinafter stated and intending to be legally bound thereby, the parties do hereby agree as follows:

1. **Ownership and Term.** Once it is constructed, the proposed water line system financed by PENNVEST shall be and remain the property of Township. The term of this agreement shall begin as soon as the proposed waterline system is operational and shall remain in effect for a minimum term of twenty five (25) years, and thereafter in perpetuity unless either party, after said twenty five (25) year minimum term ends, shall provide ninety (90) days written notice of termination to the other party.

2. **Service Agreement.** Township agrees to hire OCPSD as the operator of its water distribution system and OCPSD agrees to operate and maintain the system in accordance with its normal custom and practice and in accordance with all applicable rules and regulations promulgated by the regulatory authorities of the Commonwealth of Pennsylvania. OCPSD further agrees to provide billing service to bill and collect water service charges as hereinafter set forth.

3. **Water Availability.** OCPSD represents that it presently has a six inch (6") water distribution line on Laidley's Run Road, which line feeds from District's Sand Hill Tank which has a capacity of 135,000 gallons at 175 lbs. pressure. This water distribution line has ample capacity for the proposed water project and any presently anticipated expansion needs of the Township.

4. **Rate.** As consideration for the services provided by OCPSD, including the cost of the water delivered and all operation, maintenance and billing expenses, TOWNSHIP agrees to impose rates and charges upon the water customers served by the water distribution system equal to the sum of the regular tariff for water service approved and established by the Public Service Commission of West Virginia and the

surcharge for debt service listed in Attachment "A." In the event that the Public Service Commission of West Virginia should modify the regular water service tariff, TOWNSHIP shall adjust the rate charged to its customers as may be necessary to reflect such modification. In that regard, OCPSD shall give TOWNSHIP sixty (60) days notice of its intent to seek a modification in its water service tariff which would affect the rates charged by TOWNSHIP. Even though TOWNSHIP and its customers are located in the Commonwealth of Pennsylvania, TOWNSHIP and its customers shall be given the same consideration and recourse as any of OCPSD's customers within the State of West Virginia. OCPSD's present tariff is attached hereto as Attachment "B."

That portion of the revenue collected by OCPSD on TOWNSHIP's behalf which is attributable to the charges under the District's tariff shall be retained by and paid to OCPSD as consideration for the services rendered and water provided. That portion of the revenue which is attributable to the surcharge for debt service shall be paid over to a sinking fund account established and designated by Township, on a regular basis and at least monthly.

5. Taxes. Inasmuch as both parties to this agreement are tax exempt, no sales or other taxes shall be levied on the service charges and fees collected under this agreement.

6. As Built Drawings. TOWNSHIP agrees to provide OCPSD with an accurate set of "as-built" drawings of the completed water project.

7. Connection Fees. OCPSD shall be entitled to receive the connection fees provided for under its tariff only for those customers who connect to the water distribution system after the completion of construction.

THIS AGREEMENT, Made this 10th day of September 1991, by and between the TOWN OF TRIADELPHIA, hereinafter called "Triadelphia," and OHIO COUNTY PUBLIC SERVICE DISTRICT, hereinafter called "Ohio Co.," both parties being public entities of the State of West Virginia.

WHEREAS, Ohio Co. desires to construct a water distribution system to serve the Middle Creek area beginning at or near the OK Trailer Court on Middle Creek Road and

WHEREAS, Ohio Co. desires to purchase water for its water system from Triadelphia; and

WHEREAS, Triadelphia, desires to provide water to Ohio County under the following terms and conditions;

NOW, THEREFORE, WITNESSETH: In consideration of the covenants and agreements hereinafter set forth, it is mutually agreed between the parties as follows:

1. In order that Ohio Co. may construct and operate a water distribution system to serve the residents of the Middle Creek area, Triadelphia agrees that it will, for a period of two (2) years from and after the date of this agreement, furnish water to Ohio Co. at a mutually agreeable tie-in point at or near the OK Trailer Court on Middle Creek Road.

2. Triadelphia agrees to supply water at a rate of flow which throughout the 24-hour period of each day shall not exceed eighty (80) gallons per minute. In the event of an actual shortage of water and Triadelphia gives Ohio Co. notice that it must limit its water supply because of such actual water shortage, then the rate of flow to be furnished may be reduced to twenty (20) gallons per minute.

If Triadelphia notifies Ohio Co. of the need to so limit its water supply or notifies Ohio Co. of any unforeseen temporary and critical situation which of necessity causes a limitation of water supply, Ohio Co. agrees to cooperate to the fullest reasonable extent.

3. For water furnished under this agreement, Ohio Co. agrees to pay to Triadelphia a transportation fee of 30¢ per thousand plus the actual cost of water per thousand which the rate is established by the City of Wheeling's tariff and

as the same may be modified from time to time by the Public Service Commission of West Virginia.

4. The connection by Ohio Co. to the Triadelphia system shall be made in a manner acceptable to and under the supervision of Triadelphia.

5. The connection point between Triadelphia and Ohio Co. shall be equipped with a suitable four-inch (4") compound water meter, which shall be supplied and installed by Ohio Co. at its sole expense, and shall be located at a mutually agreeable point on the southside of Middle Creek Road adjacent to the OK Trailer Court. Once the meter is properly installed and operating, Ohio Co. shall transfer ownership of this meter to Triadelphia, which shall thereafter be responsible for the maintenance of the meter at its sole expense. Ohio Co. shall have the right to have the accuracy of the meter tested at its own expense at such times as it may deem advisable.

6. All expenses, costs, fees and charges incurred in the construction of the Middle Creek water system shall be at the sole expense of Ohio Co., except that Triadelphia shall bear the cost of its own personnel in locating, supervising or consulting concerning the project.

7. This agreement shall constitute the only agreement between the parties and may be amended only by written amendment.

IN WITNESS WHEREOF, the Town of Triadelphia, a public entity, has caused this agreement to be signed by Mark C. Hunter, Mayor of the Town of Triadelphia, and its corporate seal to be hereunto affixed by authority of a resolution of the Town Council of Triadelphia regularly adopted on the 4th day of September, 1991; and Ohio County Public Service District, a public corporation, has caused this agreement to be signed by James C. Boyd, Jr., Chairman of the Board of the Ohio County Public Service District, and its corporate seal to be hereunto affixed by authority of a resolution of the Board of the Ohio County Public Service District regularly adopted on the 15th day of August, 1991.

(Corporate Seal)

By:

Mark C. Hunter
Its Mayor

Ohio County Public Service District, a public corporation,

(Corporate Seal)

By:

James C. Boyd Jr.
Its Chairman

WATER TRANSPORTATION SERVICE CONTRACT

This contract for water transportation service is entered into as of the 7th ND day of DECEMBER, 19 82 between the Ohio County Public Service District, 411 National Road, Triadelphia, WV 26059, hereinafter referred to as the "Seller" and the West Alexander Borough Municipal Authority, P. O. Box 185, West Alexander, PA 15376, hereinafter referred to as the "Purchaser",

WITNESSETH:

Whereas, by resolution of the Board of the Seller on the 17th day of Feb, 19 83, the delivery of water to the Purchaser in accordance with the provisions herein was approved, and the execution of this contract by the Chairman, and attested by the Secretary, was duly authorized, and

Whereas, by resolution of the Board of the Purchaser, enacted on the 7th ND day of December, 19 82 acceptance of delivery of water from the Seller in accordance with the terms set forth herein was approved, and the execution of this contract by the Chairman, and attested by the Secretary was duly authorized;

Now, therefore, in consideration of the foregoing and the mutual agreements hereinafter set forth

A. The Seller Agrees:

1. To deliver to the Purchaser at the point of delivery hereinafter specified, during the term of this contract or any renewal or extension thereof, potable treated water meeting applicable purity standards of the U. S. Environmental Protection Agency and West Virginia Department of Health in such quantity as may be sold to the Purchaser by the City of Wheeling not to exceed 3 million gallons per month.
2. That water will be furnished at a reasonably constant pressure calculated at 35 psi from an existing 6 inch main supply at a point located along the Stoolfire-West Alexander Road approximately 1 mile west of the West Virginia-Pennsylvania State line. If a greater pressure than that normally available at the point of delivery is required by the Purchaser, the cost of providing such greater pressure shall be borne by the Purchaser. Emergency failures of pressure or supply due to main supply line breaks, power failure, flood, fire and use of water to fight fire, earthquake or other catastrophe shall excuse the Seller from this provision for such reasonable period of time as may be necessary to restore service. The point of delivery will be the meter

2. (Continued)

installed at the West Virginia-Pennsylvania border by the Purchaser.

3. To furnish the Purchaser at the above address not later than the 10th day of each month, with an itemized statement of the amount of water delivered to the Purchaser during the preceding month.

B. The Purchaser Agrees:

1. To pay the Seller, not later than the 20th day of each month, for water delivered at a cost of seventy cents (\$.70) per 1000 gallons of water delivered.

C. It is further mutually agreed between the Seller and the Purchaser as follows:

1. That this contract shall extend for a term of 40 years from the date of the initial delivery of any water as shown by the first bill submitted by the Seller to the Purchaser and, thereafter may be renewed or extended for such term, or terms, as may be agreed upon by the Seller and Purchaser.
2. That the provisions of this contract pertaining to the schedule of rates to be paid by the Purchaser for water delivered are subject to modification at the end of every year. Any increase or decrease in rates shall be based on a demonstrable increase or decrease in the costs of performance hereunder, but such costs shall not include increased capitalization of the Seller's system. Other provisions of this contract may be modified or altered by mutual agreement.
3. That this contract is subject to such rules, regulations, or laws as may be applicable to similar agreements in this State and the Seller and Purchaser will collaborate in obtaining such permits, certificates, or the like, as may be required to comply therewith.

D. Effective Date of Rate:

1. The effective date of this agreement is September 1, 1982 with the increased rate reflected in the October 5, 1982 billing.

In witness whereof, the parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in 4 counterparts, each of which shall constitute an original.

Seller: OHIO COUNTY PUBLIC SERVICE DISTRICT
Triadelphia, WV

By: Robert T. Sheppard

Title: Executive Director

Attest: [Signature]
Secretary

Purchaser: WEST ALEXANDER BOROUGH MUNICIPAL
AUTHORITY
West Alexander, PA

By: George R. Price

Title: Chairman

Attest: [Signature]
Secretary

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
02/01/2002

PRODUCER (304)232-1300 FAX (304)233-1732
Berry Bippus Chison and Foose
1049 Market St.
P. O. Box 431
Wheeling, WV 26003

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED Ohio County Public Service District
411 National Road
Triadelphia, WV 26059

INSURER A: Cincinnati Insurance Co
INSURER B: Westfield Insurance Co
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENL. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CPP0728473	02/02/2002	02/02/2003	EACH OCCURRENCE \$ 1000000 FIRE DAMAGE (Any one fire) \$ 100000 MED EXP (Any one person) \$ 5000 PERSONAL & ADV INJURY \$ 1000000 GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ 2000000
AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	CPP0728473	02/02/2002	02/02/2003	COMBINED SINGLE LIMIT (Ea accident) \$ 500000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
EXCESS LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$	CCC4433733	02/02/2002	02/02/2003	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$ \$ \$
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY WC STATU-TORY LIMITS: <input type="checkbox"/> OTHER \$/R				E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B OTHER Bond Coverage Property	537068 CPP0728473	02/02/2002 02/02/2002	02/02/2003 02/02/2003	\$ 451,000 total \$2,168,250 Blanket

DESCRIPTION OF OPERATION/LOCATION/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER	ADDITIONAL INSURED, INSURER LETTERS	CANCELLATION
		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.
		AUTHORIZED REPRESENTATIVE <i>[Signature]</i>