

OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

BOND TRANSCRIPT

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OHIO COUNTY PUBLIC SERVICE DISTRICT  
SEWER REVENUE BONDS, SERIES 1986 A AND SERIES 1986 B  
and  
SEWERAGE SYSTEM  
INTERIM CONSTRUCTION FINANCING

BOND AND NOTES RESOLUTION

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05/12/86  
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OHIO COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE 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 \$200,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986 A, NOT MORE THAN \$100,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986 B, AND NOT MORE THAN \$2,000,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED BY NOTES OR BOTH; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE NOTES; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES 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 orders or resolutions supplemental hereto, the "Bond Legislation") is enacted 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.

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 public corporation of the State of West Virginia in Ohio County of said State.

B. The Issuer does not presently operate a public sewage collection or treatment system. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be constructed certain sewage collection and transportation facilities of the Issuer (the "Project") which constitute properties for the collection of liquid or solid wastes, sewage or industrial wastes (the Project, and any additions thereto or extensions thereof is herein called the "System") at an estimated cost of \$3,169,026, in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Secretary of the Issuer.

C. The estimated revenues to be derived in each year after the enactment hereof from the operation of the System will be sufficient to pay all the costs of the operation and maintenance of said System, the principal of and interest on the Bonds (as hereinafter defined) and all Sinking Fund, Reserve Account and other payments provided for herein.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of not more than \$300,000 in two series, being the Series 1986 A Bonds in the aggregate principal amount of not more than \$200,000 and the Series 1986 B Bonds in the aggregate principal amount of not more than \$100,000 (collectively, the "Bonds"), and contemporaneously therewith, or as soon as practicable thereafter, to issue its sewerage system grant anticipation notes, or a note or notes evidencing a line of credit, or both (collectively, the "Notes") in the aggregate principal amount of not more than \$2,000,000 to temporarily finance costs of construction and acquisition of the Project. Said costs shall be deemed to include the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest upon the Notes and the Bonds prior to and during construction or acquisition and for 6 months after completion of construction of the Project; engineering, and legal expenses; expenses for estimates of cost and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Bonds and Notes and such other expenses as may be necessary or incident to the financing herein authorized, the construction or acquisition 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, including, with respect to the Notes, any commitment fees to the Credit Bank, as hereinafter defined, and any costs of obtaining insurance thereon; provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Bonds or Notes or the repayment of indebtedness incurred by the Issuer for such purposes, shall be deemed Costs of the Project, as hereinafter defined.

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

F. It is in the best interests of the Issuer that its Original Bonds (as hereinafter defined) be sold to the Authority (as hereinafter defined) pursuant to the terms and provisions of a loan agreement and a supplemental loan agreement (collectively, the "Loan Agreement") heretofore entered into between the Issuer and the Authority, in form satisfactory to the Issuer and the Authority.

G. There are not outstanding any obligations of the Issuer which will rank prior to or on a parity with the Bonds as to lien and source of and security for payment. The Series 1986 B Bonds shall be junior and subordinate to the Series 1986 A Bonds, as set forth herein.

H. The Issuer has complied with all requirements of West Virginia law relating to authorization of the construction, acquisition and operation of the Project and issuance of the Bonds and the Notes, or will have so complied prior to issuance of any thereof, including, among other things, the obtaining of a Certificate of Convenience and Necessity and approval of this financing and necessary user rates and charges from 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 Bonds and the Notes 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 such Noteholders, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the registered owners of any and all of such Bonds and Notes, respectively, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series and between any one Note and any other Note, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

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

"Act" means Chapter 16, Article 13A 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 of the Original Bonds, or any other agency of the State of West Virginia that succeeds to the functions of the Authority.

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

"Bond Construction Trust Fund" means the Bond Construction Trust Fund established by Section 5.01 hereof.

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

"Bond Legislation," "Resolution," "Bond and Notes Resolution" or "Local Act" means this Bond and Notes 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 Original Bonds, and any bonds on a parity therewith authorized to be issued hereunder.

"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 Cerrone & Vaughn, Inc., Wheeling, West Virginia, or any engineer or firm of engineers that shall at any time hereafter be retained by the Issuer as Consulting Engineers for the System.

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

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns.

"Eligible Costs" means Costs of the Project which are reimbursable in full on a dollar-for-dollar basis from EPA Grant Receipts, the total of which are equal in amount to the EPA Grant.

"EPA" means the United States Environmental Protection Agency and any successor to the functions of the EPA.

"EPA Grant" means the grant from the EPA pursuant to the commitment therefor.

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

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

"Governing Body" means the public service board of the Issuer, consisting of 3 members, as may 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.

"Grant Agreement" means a written commitment for the payment of the EPA Grant or any of the Other Grants, specifying the amount of such Grant, the terms and conditions upon which such Grant is made and the date or dates or event or events upon which Grant is to be paid to the Issuer; provided that, "EPA Grant Agreement" means only the Grant Agreement relating to the EPA Grant and "Other Grant Agreements" means only those Grant Agreements relating to the Other Grants.

"Grant Receipts" means all moneys received by the Issuer on account of any Grant after the date of issuance of the Notes; provided that "EPA Grant Receipts" means only Grant Receipts on account of the EPA Grant, and "Other Grant Receipts" means only Grant Receipts on account of any or all of the Other Grants.

"Grants" means, collectively, the EPA Grant and the Other Grants, as hereinafter defined.

"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, and for the furnishing by the Issuer of miscellaneous service.

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

"Independent Certified Public Accountants" shall mean 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.

"Indenture" or "Trust Indenture" means the Trust Indenture which may be entered into between the Issuer and the Trustee relating to the Notes and all supplements or amendments thereto.

"Issuer" means Ohio County Public Service District, in Ohio County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" shall mean, collectively, the Loan Agreement and the Supplemental Loan Agreement heretofore entered into between the Authority and the Issuer providing for the purchase of the Original Bonds from the Issuer by the Authority, the forms of which shall be approved, and the execution and delivery by the Issuer authorized by, this Resolution or a resolution adopted by the Issuer prior to the adoption of this Resolution.

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

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

"Notes" or "GAN" means collectively, the not more than \$2,000,000 in aggregate principal amount of Sewerage System Grant Anticipation Notes, originally authorized hereby, or the not more than \$2,000,000 in aggregate principal amount of a note or notes evidencing a line of credit originally authorized hereby, and unless the context clearly indicates otherwise, the terms "Notes" or "GAN" includes any refunding Notes or GAN of the Issuer.

"Notes Construction Trust Fund" means the Notes Construction Trust Fund which may be established by Section 4.02 of the Indenture.

"Notes Debt Service Fund" means the Notes Debt Service Fund which may be established by Section 4.01 of the Indenture.

"Notes Registrar" means the bank to be designated as such in the Indenture or the Supplemental Resolution and its successors and assigns.

"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 Registrar, Paying Agent and the Trustee (all as hereinafter defined), other than those capitalized as part of the Costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds or Notes, 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.

"Original Bonds" or "Bonds originally authorized hereby" or similar phrases mean, collectively, the not more than \$200,000 in aggregate principal amount of Series 1986 A Bonds and not more than \$100,000 in aggregate principal amount of Series 1986 B Bonds, issued for the purpose of paying a portion of the Costs of the Project and for such other purposes permitted hereby and authorized by the Bond Legislation.

"Original Notes Purchaser" means, in the event grant anticipation notes are issued, Young Moore & Company, Inc., of Charleston, West Virginia, or such other original purchaser of the Notes as shall be named in a resolution supplemental hereto, and, in the event a note or notes evidencing a line of credit are issued, such bank or banks as shall be named in a resolution supplemental hereto.

"Other Grants" means collectively, the WDA Grant, together with any other grant hereafter received by the Issuer to aid in financing any Costs.

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

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

"Paying Agent" means the bank or banks or other entity designated as such for the Bonds and/or the Notes in the Indenture or in the Supplemental Resolution or such entity or authority as may be designated by the Issuer.

"Program" means the Authority's loan program, under which the Authority purchases the water development revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of water development revenue bonds of the Authority.

"Project" means the acquisition and construction of a sewage collection and transportation system, lift stations and force mains and all necessary appurtenances.

"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 Investment Agreement which may be entered into by and between the Trustee and the bank designated as "Investment Bank" in the Supplemental Resolution; and

(i) 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, provided that investments by such fund on behalf of the Issuer shall be restricted to Qualified Investments described in paragraphs (a) through (g), above.

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

"Registrar" means as appropriate, either the Bond Registrar or the Notes Registrar or both.

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

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

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

"Series 1986 A Bonds" or "Series A Bonds" means the not more than \$200,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1986 A, of the Issuer.

"Series 1986 A Bonds Reserve Account" means the Series 1986 A Bonds Reserve Account established in the Series 1986 A Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1986 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 1986 A Bonds in the then current or any succeeding Fiscal Year.

"Series 1986 A Bonds Sinking Fund" means the Series 1986 A Sinking Fund established by Section 5.02 hereof.

"Series 1986 B Bonds" or "Series B Bonds" means the not more than \$100,000 in aggregate principal amount of Sewer Revenue Bonds, Series 1986 B, of the Issuer.

"Series 1986 B Bonds Reserve Account" means the Series 1986 B Bonds Reserve Account established in the Series 1986 B Bonds Sinking Fund pursuant to Section 5.02 hereof.

"Series 1986 B Bonds Reserve Requirement" means, as of the date of calculation, the maximum amount of principal which will become due on the Series 1986 B Bonds in the then current or any succeeding Fiscal Year.

"Series 1986 B Bonds Sinking Fund" means the Series 1986 B Bonds Sinking Fund established by Section 5.02 hereof.

"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 resolutions authorizing the sale of the Notes or the Original Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Notes or the Original Bonds, as the case may be, and not so included may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Bonds or any other obligations of the Issuer, including the Renewal and Replacement Fund and the Reserve Account, the proceeds of which Bonds or other obligations are to be used to pay Costs of the Project.

"System" means the complete properties of the Issuer for the collection, transportation and treatment of liquid or solid wastes, sewage or industrial wastes, in its entirety or any integral part thereof, and shall include the Project and any further additions, betterments and improvements thereto hereafter constructed or acquired for said system from any sources whatsoever.

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

"Trustee" means the banking institution designated as trustee for the Noteholders under the Indenture, if any, its successors and assigns.

"WDA Grant" means the grant from the West Virginia Water Development Authority pursuant to the commitment therefor.

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 CONSTRUCTION  
AND ACQUISITION OF THE PROJECT

Section 2.01. Authorization of Construction and Acquisition of the Project. There is hereby authorized the construction and acquisition of the Project, at an estimated cost of \$3,169,026, 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 Notes and the Bonds hereby authorized shall be applied as provided in Article IV of the Indenture, if any, and Article VI hereof, respectively.

### ARTICLE III

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

Section 3.01. Authorization of Bonds. For the purpose of paying Costs of the Project not otherwise provided for and paying certain costs of issuance and related costs, there shall be issued negotiable Original Bonds of the Issuer, in an aggregate principal amount of not more than \$300,000. Said Bonds shall be issued in two series, to be designated respectively, "Sewer Revenue Bonds, Series 1986 A," in the aggregate principal amount of not more than \$200,000, and "Sewer Revenue Bonds, Series 1986 B," in the aggregate principal amount of \$100,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. Such Bonds shall be issued contemporaneously with or prior to issuance of the Notes, if any. The proceeds of the Bonds (excluding accrued interest) remaining after capitalization of interest, if any, and payment of the costs of issuance thereof and related costs shall be deposited in the Bond Construction Trust Fund established by Section 5.01 hereof.

Section 3.02. Terms of Bonds. The Bonds shall bear interest at such rate or rates, not exceeding 12% per annum, or such other rate as shall then be the legal maximum, payable semiannually on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution. The Bonds shall be payable as to principal at the office of the Commission, through a Paying Agent or Paying Agents selected by the original purchaser or purchasers thereof, 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 Bonds shall be paid by check or draft 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 Original Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a payment record attached, representing the aggregate principal amount of each series, and shall mature in principal installments, all as provided in the Supplemental Resolution. The Bonds of each series shall be exchangeable at the option and expense of the Holder for other fully registered Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable,

corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form, in the denomination of \$5,000 or any integral multiple thereof, all as determined by a Supplemental Resolution. The registered Bonds shall be dated as of the date specified in a Supplemental Resolution and shall bear interest from such date.

Section 3.03. Execution of Bonds. The 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 any of the Bonds shall cease to be such officer of the Issuer before the 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 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 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.09 shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability, Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said 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 in the manner provided hereinafter in the form of said Bonds.

So long as any of the Bonds remain outstanding, the Issuer, through the Bond Registrar, shall keep and maintain books for the registration and transfer of the Bonds.

The registered 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 Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the 15 days 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.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost.  
In any case any Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same,

upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The 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 any of the Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Bonds or the interest thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues; Series 1986 B Bonds to be Junior and Subordinate to Series 1986 A Bonds. The payment of the debt service of all the Series 1986 A Bonds shall be secured forthwith equally and ratably with each other by a first lien on the Net Revenues derived from the System. The payment of the debt service of all the Series 1986 B Bonds shall also be secured forthwith equally and ratably with each other by a lien on the Net Revenues derived from the System, but junior and subordinate to the lien on such Net Revenues in favor of the Holders of the Series 1986 A Bonds. Such Net Revenues in an amount sufficient to pay the principal of and interest on and other payments for the Bonds and to make the payments into the Sinking Fund and the Reserve Account therein hereinafter established, are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds as the same become due.

Section 3.09. Form of Original Bonds. The text of the Series 1986 A Bonds and the Series 1986 B Bonds, respectively, shall be in substantially the following forms, 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 1986 A Bond]

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
OHIO COUNTY PUBLIC SERVICE DISTRICT  
SEWER REVENUE BOND, SERIES 1986 A

No. AR- \_\_\_\_\_

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia in Ohio County of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to West Virginia Water Development Authority or registered assigns (the "Payee") the sum of \_\_\_\_\_ (\$ \_\_\_\_\_), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Payee and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 1986. 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 mailed to the registered owner hereof at the address as it appears on the books of Kanawha Valley Bank, N.A., Charleston, West Virginia, as registrar (the "Registrar") on the 15th day of the month preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Payee is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part at any time, but only with the express written consent of, and upon the terms and conditions prescribed by, the West Virginia Water Development Authority.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage collection and transportation facilities of the Issuer (the "Project") and (ii) to

pay certain costs of issuance hereof and related costs. 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 of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution and Supplemental Resolution, both duly adopted by the Issuer on the 15th day of May, 1986 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is issued contemporaneously with the Sewer Revenue Bonds, Series 1986 B, of the Issuer (the "Series 1986 B Bonds") issued in the aggregate principal amount of \$ \_\_\_\_\_, which Series 1986 B Bonds are junior and subordinate with respect to liens and sources of and security for payment to the Bonds of this series (the "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, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1986 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 which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1986 A Bonds Reserve Account and unexpended Bond proceeds. 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 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 amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in the Series 1986 A Bonds Reserve Account and the reserve account established for the Series 1986 B Bonds or any other obligations outstanding prior to or on a parity with the Bonds or Series 1986 B Bonds, sufficient moneys to pay the maximum amount of principal and interest which will become due on the Bonds, the Series 1986 B Bonds, and any other such prior or parity

obligations in any succeeding fiscal year, 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.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Payee 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, shall be applied solely to the payment of the Costs of the Project described in the Bond Legislation or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, 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 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 hereon and attested by its Secretary,  
and has caused this Bond to be dated May 16, 1986.

[SEAL]

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1986 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above.

Date: \_\_\_\_\_

KANAWHA VALLEY BANK, N.A.,  
as Registrar

By \_\_\_\_\_  
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

TABLE II

OHIO COUNTY PUBLIC SERVICE DISTRICT  
Analysis of 7.00% Borrowing Cost for Local Issuer

Period Ending 10/1	-----1985 Series A Bonds-----			
	Coupon	Principal	Interest	Debt Service
1986	9.75%	0.00	3,667.95	3,667.95
1987	9.75%	266.00	9,781.20	10,047.20
1988	9.75%	293.00	9,755.27	10,048.27
1989	9.75%	321.00	9,726.70	10,047.70
1990	9.75%	353.00	9,695.40	10,048.40
1991	9.75%	387.00	9,660.98	10,047.98
1992	9.75%	425.00	9,623.25	10,048.25
1993	9.75%	466.00	9,581.81	10,047.81
1994	9.75%	512.00	9,536.38	10,048.38
1995	9.75%	562.00	9,486.46	10,048.46
1996	9.75%	617.00	9,431.66	10,048.66
1997	9.75%	677.00	9,371.51	10,048.51
1998	9.75%	743.00	9,305.50	10,048.50
1999	9.75%	815.00	9,233.06	10,048.06
2000	9.75%	894.00	9,153.59	10,047.59
2001	9.75%	982.00	9,066.43	10,048.43
2002	9.75%	1,077.00	8,970.68	10,047.68
2003	9.75%	1,182.00	8,865.68	10,047.68
2004	9.75%	1,298.00	8,750.43	10,048.43
2005	9.75%	1,424.00	8,623.88	10,047.88
2006	9.75%	1,563.00	8,485.04	10,048.04
2007	9.75%	1,716.00	8,332.64	10,048.64
2008	9.75%	1,883.00	8,165.33	10,048.33
2009	9.75%	2,066.00	7,981.74	10,047.74
2010	9.75%	2,263.00	7,780.31	10,043.31
2011	9.75%	2,489.00	7,559.18	10,048.18
2012	9.75%	2,732.00	7,316.50	10,048.50
2013	9.75%	2,998.00	7,050.13	10,048.13
2014	9.75%	3,290.00	6,757.82	10,047.82
2015	9.75%	3,611.00	6,437.05	10,048.05
2016	9.75%	3,963.00	6,084.98	10,047.98
2017	9.75%	4,350.00	5,698.58	10,043.58
2018	9.75%	4,774.00	5,274.46	10,048.46
2019	9.75%	5,239.00	4,808.99	10,047.99
2020	9.75%	5,750.00	4,298.19	10,048.19
2021	9.75%	6,310.00	3,737.57	10,047.57
2022	9.75%	6,926.00	3,122.34	10,048.34
2023	9.75%	7,601.00	2,447.06	10,048.06
2024	9.75%	8,342.00	1,705.96	10,047.96
2025	9.75%	9,155.00	892.61	10,047.61
		100,320.00	295,219.30	395,534.30

[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:

\_\_\_\_\_

[Form of Series 1986 B Bond]

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
OHIO COUNTY PUBLIC SERVICE DISTRICT  
SEWER REVENUE BOND, SERIES 1986 B

No. BR-\_\_\_\_\_

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia in Ohio County of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to West Virginia Water Development Authority or registered assigns (the "Payee") the sum of \_\_\_\_\_ (\$ \_\_\_\_\_), in annual installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference, without interest.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part of any time, but only with the express written consent of, and upon the terms and conditions prescribed by, the West Virginia Water Development Authority.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage collection and transportation facilities of the Issuer (the "Project") and (ii) to pay certain costs of issuance hereof and related costs. 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 of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution and Supplemental Resolution, both duly adopted by the Issuer on the 15th day of May, 1986 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and

ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System after there has first been paid from said Net Revenues all payments then due and owing on the Series 1986 A Bonds herein described, moneys in the Reserve Account created under the Bond Legislation for the Bonds of this Series (the "Series 1986 B Bonds Reserve Account"), and unexpended proceeds of the Bonds of this Series (the "Bonds"). Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1986 B Bonds Reserve Account and unexpended Bond proceeds. 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 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 amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on the Bonds, the 1986 Series A Bonds, and all other obligations secured by or payable from such revenues prior to or on a parity with the 1986 Series A Bonds and on a parity with the Bonds, provided however, that so long as there exists in the Series 1986 B Bonds Reserve Account and the reserve account established for the Series A Bonds, sufficient moneys to pay the maximum amount of principal and interest which will become due on the Bonds and the 1986 Series B Bonds in any succeeding fiscal year, and any reserve account for any such prior or parity obligations is funded at least at 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.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of Kanawha Valley Bank, N.A., Charleston, West Virginia, as registrar (the "Registrar") by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the

Payee or its attorney duly authorized in writing.

Subject to the registration requirements as 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, shall be applied solely to the payment of the Costs of the Project described in the Bond Legislation or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of the Bonds, which lien is subordinate to the lien in favor of the holders of the Series 1986 A Bonds.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGES AND SOURCES OF AND SECURITY FOR PAYMENT TO THE OUTSTANDING SEWER REVENUE BONDS, SERIES 1986 A, OF THE ISSUER, ISSUED CONCURRENTLY HERewith AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1986 A BONDS").

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, 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 revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT  
has caused this Bond to be signed by its Chairman and its corporate  
seal to be hereunto affixed hereon and attested by its Secretary,  
and has caused this Bond to be dated May 16, 1986.

[SEAL]

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

(Form of)

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1986 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above.

Date: \_\_\_\_\_

KANAWHA VALLEY BANK, N.A.,  
as Registrar

By \_\_\_\_\_  
Its Authorized Officer

EXHIBIT A  
SCHEDULE OF ANNUAL DEBT SERVICE  
TABLE III

OHIO COUNTY PUBLIC SERVICE DISTRICT  
Analysis of 7.00% Borrowing Cost for Local Issuer

Period Ending 10/1 -----	Zero Coupon Bonds -----
1986	0.00
1987	1,281.10
1988	1,281.05
1989	1,281.05
1990	1,281.05
1991	1,281.05
1992	1,281.05
1993	1,281.05
1994	1,281.05
1995	1,281.05
1996	1,281.05
1997	1,281.05
1998	1,281.05
1999	1,281.05
2000	1,281.05
2001	1,281.05
2002	1,281.05
2003	1,281.05
2004	1,281.05
2005	1,281.05
2006	1,281.05
2007	1,281.05
2008	1,281.05
2009	1,281.05
2010	1,281.05
2011	1,281.05
2012	1,281.05
2013	1,281.05
2014	1,281.05
2015	1,281.05
2016	1,281.05
2017	1,281.05
2018	1,281.05
2019	1,281.05
2020	1,281.05
2021	1,281.05
2022	1,281.05
2023	1,281.05
2024	1,281.05
2025	1,281.05
	-----
	49,961.00

[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 3.10. Sale of Original Bonds; Execution of Loan Agreement with Authority. The Original 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 B" 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.

## ARTICLE IV

### INTERIM CONSTRUCTION FINANCING

Section 4.01. Authorization and General Terms. In order to pay certain Costs of the Project pending receipt of the Grant Receipts, the Issuer may issue and sell its Notes in the aggregate principal amount of not to exceed \$2,000,000. The Notes may be in the form of grant anticipation notes or as evidence of a line of credit from a commercial bank, at the discretion of the Issuer, and as shall be set forth in a resolution supplemental hereto. The Notes shall bear interest from the date or dates, at such rate or rates, payable on such dates and shall mature on such date or dates and be subject to such prepayment or redemption, all as provided in the Indenture or supplemental resolution.

Section 4.02. Terms of and Security for Notes; Trust Indenture. The Notes shall be issued in fully registered form, in the denomination of \$5,000 or any integral multiple thereof, with such terms and secured in the manner set forth in the Indenture, if used (which Indenture in substantially the form to be executed and delivered by the Issuer is attached hereto as "Exhibit A" and made a part hereof), or supplemental resolution, if no Indenture is used.

Section 4.03. Notes are Special Obligations. The Notes shall be special obligations of the Issuer payable as to principal and interest solely from the respective sources described in the Indenture or supplemental resolution. The Notes do not and shall not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions. The general funds of the Issuer are not liable, and neither the full faith and credit nor the taxing power of the Issuer is pledged for the payment of the Notes. The Holders of the Notes shall never have the right to compel the forfeiture of any property of the Issuer. The Notes shall not be a debt of the Issuer, nor a legal or equitable pledge, charge, lien or encumbrance upon any property of the Issuer or upon any of its income, receipts or revenues except as set forth in the Indenture.

Section 4.04. Letters of Credit. As additional security for the Notes, the Issuer may obtain a letter or letters of credit from a bank or banks, pursuant to which such bank or banks would agree to pay to the Trustee, upon presentation by the Trustee of certain certificates, the sum or sums set forth therein but not to exceed \$500,000 in the aggregate. In the event of a draw under any such letter of credit, the Issuer shall issue its refunding notes to the bank issuing such letter of credit. Any such letter of credit

shall be authorized and shall have such terms as shall be set forth  
in a resolution supplemental hereto.

ARTICLE V

SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are created with and shall be held by, the Depository Bank:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund; and
- (3) Bond Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby established with the Commission:

- (1) Series 1986 A Bonds Sinking Fund;
  - (a) Within the Series 1986 A Bonds Sinking Fund, the Series 1986 A Bonds Reserve Account.
- (2) Series 1986 B Bonds Sinking Fund;
  - (a) Within the Series 1986 B Bonds Sinking Fund the Series 1986 B Bonds Reserve Account.

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

(1) The Issuer shall first, each month, pay from the Revenue Fund the Operating Expenses of the System.

(2) Thereafter, from the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month, commencing 7 months prior to the first date of payment of interest on the Series 1986 A Bonds for which interest has not been capitalized, apportion and set apart out of the Revenue Fund and remit to the Commission, for deposit in the Series 1986 A Bonds Sinking Fund, a sum equal to 1/6th of the amount of interest which will become due on said Series 1986 A Bonds on the next ensuing

semiannual interest payment date, less any moneys transferred from the Series 1986 A Bonds Reserve Account for the purpose of making interest payments and investment earnings on sums previously deposited in the Series 1986 A Bonds Sinking Fund for the purpose of making interest payments on the Series 1986 A Bonds; provided, that, in the event the period to elapse between the date of such initial deposit in the Series 1986 A Bonds Sinking Fund and the next semiannual interest payment date is less than 7 months, then such monthly payments shall be increased proportionately to provide, one month prior to the next semiannual interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall also, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1986 A Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1986 A Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1986 A Bonds on the next ensuing principal payment date, less any moneys transferred from the Series 1986 A Bonds Reserve Account for the purpose of making principal payments and investment earnings on sums previously deposited in the Series 1986 A Bonds Sinking Fund for the purpose of making principal payments on the Series 1986 A Bonds; provided that, in the event the period to elapse between the date of such initial deposit in the Series 1986 A Bonds Sinking Fund and the next annual principal payment date is less than 13 months then such monthly payments shall be increased proportionately to provide, one month prior to the next annual principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall also, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1986 A Bonds Reserve Account, an amount equal to 1/120 of the Series 1986 A Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1986 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 1986 A Bonds Reserve Requirement.

(5) From the moneys remaining in the Revenue Fund, the Issuer shall next, on the first day of each month,

commencing with the month succeeding the first full calendar month after commencement of operation of the System, transfer to the Renewal and Replacement Fund a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of the Series 1986 A Reserve Account in the Series 1986 A Sinking Fund. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or extensions to the System; provided, that any deficiency in the Series 1986 A Bonds Reserve Account [except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required by Subsection 5.03(A)(4)] shall be promptly eliminated with moneys from the Renewal and Replacement Fund.

(6) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal on the Series 1986 B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1986 B Bonds Sinking Fund, a sum equal to 1/12th of the amount of principal which will mature and become due on said Series 1986 B Bonds on the next ensuing principal payment date, less any moneys transferred from the Series 1986 B Bonds Reserve Account for the purpose of making principal payments and investment earnings on sums previously deposited in the Series 1986 B Bonds Sinking Fund for the purpose of making principal payments on the Series 1986 B Bonds.

(7) The Issuer shall next, on the first day of each month, commencing 13 months prior to the first date of payment of principal of the Series B Bonds, apportion and set apart out of the Revenue Fund and remit to the Commission for deposit in the Series 1986 B Bonds Reserve Account, an amount equal to 1/120 of the Series 1986 B Bonds Reserve Requirement; provided, that no further payments shall be made into the Series 1986 B Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 1986 B Bonds Reserve Requirement.

Moneys in the Series 1986 A Bonds Sinking Fund and the Series 1986 B Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the respective series of Bonds as the same shall become due. Moneys in the Series 1986 A Bonds Reserve Account and the Series 1986 B Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the respective series of Bonds, as the same shall come due, when other moneys in the attendant Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on moneys in the Series 1986 A Bonds Reserve Account and the Series 1986 B Bonds Reserve Account shall be transferred, not less than once each year, to the respective Sinking Fund and applied in full to the next ensuing principal payment due on the respective Series of Bonds.

Any withdrawals from the Series 1986 A Bonds Reserve Account which result in a reduction in the balance of the Series 1986 A Bonds Reserve Account to below the Series 1986 A Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Series 1986 A Bonds Sinking Fund for payment of debt service on the Bonds have been made in full.

Any withdrawals from the Series 1986 B Bonds Reserve Account which result in a reduction in the balance of the Series 1986 B Bonds Reserve Account to below the Series 1986 B Bonds Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments to the Series 1986 A and Series 1986 B Bonds Sinking Funds and the Renewal and Replacement Fund have been made in full.

As and when additional Bonds ranking on a parity with the Series 1986 B Bonds are issued, provision shall be made for additional payments into the Series B Sinking Fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the Series B Reserve Account in an amount equal to the maximum provided and required to be paid into the Series B Sinking Fund in any Fiscal Year for account of all the Series 1986 B Bonds, including such additional Series 1986 B Bonds which by their terms are payable from such Sinking Fund.

The Issuer shall not be required to make any further payments into the Series 1986 A Bonds Sinking Fund or the Series 1986 B Bonds Sinking Fund or into the Reserve Accounts therein when the aggregate amount of funds in both said Sinking Funds and said Reserve Accounts are at least equal to the aggregate principal amount of the respective Bonds issued pursuant to this Bond Legislation then Outstanding.

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

The payments into the Sinking Funds shall be made on the first day of each month, except that when the first day of any month shall be a Sunday or legal holiday then such payments shall be made on the next succeeding business day, 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.

Moneys in the Reserve Accounts shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Sinking Funds, including the Reserve Accounts therein, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the respective Bonds and any additional Bonds ranking on a parity therewith that may be issued and Outstanding under the conditions and restrictions hereinafter set forth.

B. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in said Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into the Sinking Funds, including the Reserve Accounts therein, and the Renewal and Replacement Fund during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the Issuer, including, but not limited to, payment to the Trustee for deposit in the Notes Debt Service Fund, as defined in the Indenture.

C. The Issuer shall remit from the Revenue Fund to the Commission, the Paying Agent or the Depository Bank, on such dates

as the Commission, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay the Depository Bank's charges and the Paying Agent fees then due.

D. The moneys in excess of the sum insured by the maximum amounts insured by FDIC in the Revenue Fund and the Renewal and Replacement Fund 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.

E. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates.

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

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

H. All Tap Fees shall be deposited by the Issuer, as received, in the Bond Construction Trust Fund, and following completion of the Project shall be deposited in the Revenue Fund and may be used for any lawful purpose.

## ARTICLE VI

### BOND PROCEEDS; FUNDS AND ACCOUNTS

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

A. Any accrued interest received from the sale shall be deposited in the appropriate Sinking Fund and applied to the first interest payment due on the applicable Series of Bonds.

B. The amount of the proceeds which together with the proceeds deposited pursuant to Subsection (A) of this section and together with the earnings thereon, shall be at least sufficient to pay interest, if any, on the applicable Series of Bonds for the period specified in the Supplemental Resolution shall be deposited in the appropriate Sinking Fund; provided, that such period may not extend beyond the date which is 6 months after the estimated date of completion of construction of the Project.

C. The remaining moneys derived from the sale of the Bonds shall be deposited with the Depository Bank (which shall also be the Trustee) in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project in the manner set forth in Section 6.02.

D. The Depository Bank shall act as a trustee and fiduciary for the Bondholder with respect to the Bond Construction Trust Fund and shall comply with all requirements with respect to the disposition of the Bond Construction Trust Fund set forth in the Bond Legislation and Indenture (if any). Moneys in the Bond Construction Trust Fund shall be used solely to pay Costs of the Project and until so expended, are hereby pledged as additional security for the Bonds. In the event that Notes are issued, the disposition of funds in the Bonds Construction Trust Fund may be modified from that set forth herein, with the written consent of the Authority.

Section 6.02. Disbursements From the Bond Construction Trust Fund. Payments for Costs of the Project shall be made monthly.

Disbursements from the Bond Construction Trust Fund, except for the costs of issuance thereof which shall be made upon request of the Issuer, shall be made only after submission to the

Depository Bank of a certificate, signed by an Authorized Officer and the Consulting Engineers, stating:

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

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

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

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

In case any contract provides for the retention of a portion of the contract price, the Depository Bank shall disburse from the Bond Construction Trust Fund only the net amount remaining after deduction of any such portion. All payments made from the Bond Construction Trust Fund shall be presumed by the Depository Bank to be made for the purposes set forth in said certificate, and the Depository Bank shall not be required to monitor the application of disbursements from the Bond Construction Trust Fund. The Consulting Engineers shall from time to time file with the Depository Bank written statements advising the Depository Bank of its then authorized representative.

Pending such application, moneys in the Bond Construction Trust Fund, including any accounts therein, shall be invested and reinvested in qualified investments at the direction of the Issuer.

Whenever the Depository Bank shall have received notice that any Grant has been suspended, terminated or annulled, or a stop-work order has been issued, the Depository Bank shall not make further disbursements from the Bond Construction Trust Fund until it shall have received notice of the lifting of such suspension or stop-work order. Notwithstanding the foregoing provisions of this paragraph, if the Grant which has been suspended, terminated or annulled is a Grant other than the EPA Grant or the WDA Grant, and the Issuer files with the Depository Bank a certificate of the Consulting Engineers reciting the conclusion and demonstrating that the Project can be completed without such Other Grant, the Depository Bank shall continue to make disbursements from the Bond Construction Trust Fund.

After completion of the Project, as certified by the Consulting Engineers, the Depository Bank shall transfer any moneys remaining in the Bond Construction Trust Fund to the Series A Bonds Reserve Account.

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

Until the payment in full of the principal of and interest on the Notes when due, the covenants, agreements and provisions contained in this Bond Legislation shall, where applicable, also inure to the benefit of the Holders of the Notes and the Trustee therefor and constitute valid and legally binding covenants of the Issuer, enforceable in any court of competent jurisdiction by the Trustee or any Holder or Holders of said Notes as prescribed in the Indenture; provided, that Section 7.04 and Section 7.09 shall not be applied to the Notes.

Section 7.02. Bonds and Notes not to be Indebtedness of the Issuer. Neither the Bonds nor the Notes shall be or 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 any Bonds or Notes, shall ever have the right to compel the exercise of the taxing power of the Issuer to pay said Bonds or Notes or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 1986 A Bonds issued hereunder shall be secured forthwith equally and ratably by a first lien on the Net Revenues derived from the operation of the System and payment of the debt service of the Series 1986 B Bonds issued hereunder shall be secured forthwith equally and ratably by a lien on said Net Revenues, but such lien shall be junior and subordinate to the lien on said Net Revenues in favor of the Holders of the Series 1986 A Bonds, to the extent necessary to make the payments required under Section 5.03 of this Resolution. The revenues derived from the System, in an amount sufficient to pay the principal of and interest on the Bonds and to make the payments into the Sinking Funds, including the Reserve Accounts therein, and all

other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided therein, to the payment of the principal of and interest on the Bonds as the same become due, and for the other purposes provided in the Bond Legislation.

Section 7.04. Initial Schedule of Rates and Charges. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in the Order of the Public Service Commission of West Virginia entered April 10, 1986 (Case No. 85-472-S-CN).

Section 7.05. Sale of the System. 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 and Notes, if any, outstanding, or to effectively defease this Resolution in accordance with Section 10.01 hereof and, if entered into and not previously defeased, the Indenture in accordance with Section 8.01 thereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and, 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 at maturity of and interest on the Bonds about to mature. Any balance remaining after the payment of all the 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. With respect to the Notes, such proceeds in an amount sufficient to pay the Notes in full shall be applied to the payment of the Notes, either at maturity or, if allowable under the Supplemental Resolution or Indenture, prior thereto.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of \$10,000, the Issuer shall, by resolution, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such

sales, leases or other dispositions of such properties, shall be in excess of \$10,000 but not in excess of \$50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property upon public bidding. The proceeds derived from any such sale, lease or other disposition of such property, aggregating during such Fiscal Year in excess of \$10,000 and not in excess of \$50,000, shall with the written consent of the Authority, be remitted by the Issuer to the Commission for deposit in the Sinking Fund and shall be applied only to the purchase of Bonds of the last maturities then Outstanding at prices not greater than the par value thereof plus 3% of such par value or otherwise, shall be deposited in the Revenue Fund. Such payment of such proceeds into the Sinking Fund or the Renewal and Replacement Fund shall not reduce the amounts required to be paid into said funds by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, 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 the Bonds then Outstanding without the prior approval and consent in writing of the Holders, or their duly authorized representatives, of over 50% in amount of the Bonds then Outstanding and the Consulting Engineers. 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. The Issuer shall not issue any obligations whatsoever with a lien on or otherwise payable from any source of payment pledged originally to the Notes issued under the Indenture or supplemental resolution prior to or on a parity with the lien on behalf of such Notes until such Notes have been defeased in accordance with the provisions of the Indenture and the Bond Legislation; and, so long as any of the Bonds are Outstanding, the Issuer shall not issue any other obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Bonds; provided, however, that additional Bonds on a parity with the Series 1986 B Bonds only may be issued as provided for in Section 7.07 hereof. All obligations issued by the Issuer after the issuance of the 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 both the Series 1986 A Bonds and the Series 1986 B Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into the Reserve Accounts and the Renewal and Replacement Fund at the time of the issuance of such subordinate obligations have been made and are current.

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

Section 7.07. Parity Bonds. A. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of any Bonds pursuant to this Bond Legislation, except under the conditions and in the manner herein provided.

No Parity Bonds shall be issued which shall be payable out of the revenues of the System prior to or on a parity with the Series 1986 A Bonds. All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 1986 B Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the construction or acquisition of extensions, improvements or betterments to the System or refunding one or more series of Bonds issued pursuant hereto, 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, based upon the necessary investigation and certification by the Consulting Engineers, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the 18 months immediately preceding the date of the actual issuance of such Parity Bonds, plus the estimated average increased annual Net Revenues to be received in each of the 3 succeeding years after the completion of the improvements to be financed by such Parity Bonds, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest on the following:

- (A) The Bonds then Outstanding;

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

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

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

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

Not later than simultaneously with the delivery of such Parity Bonds, the Issuer shall have entered into written contracts for the immediate construction or acquisition of such additions, betterments or improvements, if any, to the System that are to be financed by 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 the 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 of one series over any other Bond of the same series. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

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

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of both the Series 1986 A Bonds and the Series 1986 B Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from the revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with either the Series 1986 A Bonds or the Series 1986 B Bonds.

No Parity Bonds shall be issued any time, however, unless all the payments into the respective funds and accounts provided for in this Bond Legislation 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 such Parity Bonds, and the Issuer shall then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

B. Notwithstanding the foregoing, or any provision of Section 7.06 to the contrary, additional Bonds may be issued solely for the purpose of completing the Project as described in the application to the Authority submitted on the date of the Loan Agreement without regard to the restrictions set forth in this Section 7.07, if there is first obtained by the Issuer the written consent of the Authority to the issuance of bonds on a parity with the Series 1986 A.

Section 7.08. Books and Records. The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds or of a Note or Notes issued pursuant to this Bond Legislation or the Trustee shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The

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

The Issuer shall file with the Consulting Engineers, the Trustee and the Authority, or any other original purchaser of the Bonds, and shall mail in each year to any Holder or Holders of Bonds or Notes, as the case may be, 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 Indenture with respect to said Bonds or Notes, as the case may be, and the status of all said funds and accounts.

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

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants and shall mail upon request, and make available generally, the report of said Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of Bonds or Notes, as the case may be, and shall file said report with the Trustee and the Authority, or any other original purchaser of the Bonds.

Section 7.09. Rates. Prior to the issuance of the Bonds, equitable rates or charges for the use of and service rendered by the System will 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 said 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. The Issuer shall take the necessary actions with respect to the imposition of rates at such times and with such provisions with respect to interest rate and maturity of the Bonds to finance the issuance of the Bonds as the purchasers thereof shall require. 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 (i) to provide for all reasonable expenses of operation, repair and maintenance of the System and (ii) to leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any succeeding Fiscal Year for payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues; provided that, in the event that an amounts equal to or in excess of the Reserve Requirements are on deposit in the Reserve Accounts or reserve accounts for bonds prior to or on a parity with the Bonds are funded at least at the requirement therefor, such balance each Fiscal Year need only equal at least 110% of the maximum amount required in any succeeding Fiscal Year for payment of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues.

Section 7.10. Operating Budget and Audit. 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 expenditures for operation and maintenance of the System during the succeeding Fiscal Year. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by the Consulting Engineers, which funding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of the Consulting Engineers that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Trustee and the Authority and to any Holder of any Bonds or Notes, as the case may be, 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 Trustee and to any Holder of any Bonds or Notes, as the case may be, or anyone acting for and in behalf of such Holder of any Bonds or Notes, as the case may be.

In addition, the Issuer shall annually cause the records of the System to be audited by an independent certified public

accountant, the report of which audit shall be submitted to the Authority and which audit report shall include a statement that the Issuer is in compliance with the terms and provisions of this Bond Legislation and the Loan Agreement.

Section 7.11. 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 7.12. 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 of the Issuer, 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 and to the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, all delinquent 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 and facilities and any services and facilities of the water system, if then owned by the Issuer, to all delinquent users of services and facilities of the System and will not restore such services of the water system until all billing for charges for the services and facilities of the System, plus reasonable interest penalty charges for the restoration of service, has been fully paid.

Section 7.13. No Free Services. The Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar

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

Section 7.14. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as any of the Bonds or the Notes 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:

(A) 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 said 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 during construction of the Project in the full insurable value thereof.

(B) 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 \$100,000 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.

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

B. 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.

Section 7.15. Mandatory Connections. The mandatory use of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Department of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30 day notice of the availability of the System, pay the rates and charges established therefor.

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

Section 7.16. Completion of Project. The Issuer will complete the Project and operate and maintain the System in good condition.

Section 7.17. Statutory Mortgage Lien. 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, shall take effect immediately upon delivery of the Bonds and shall be for the equal benefit of all Holders of each respective series of Bonds, provided however, that the statutory mortgage lien

in favor of the Holders of the Series 1986 A Bonds shall be senior to the statutory mortgage lien in favor of the Holders of the Series 1986 B Bonds.

## ARTICLE VIII

### INVESTMENT OF FUNDS; NON ARBITRAGE

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

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

Section 8.02. Restrictions as to Arbitrage Bonds. The Issuer hereby covenants, and hereby so instructs the Bond Commission and the Trustee that they 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 to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 103(c)(2) of the Internal Revenue Code, (or any successor provision) and an Authorized Officer shall deliver his certificate, based upon this covenant, with regard thereto to the purchaser of the Original Bonds.

ARTICLE IX

DEFAULT AND REMEDIES

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

(A) If default occurs in the due and punctual payment of the principal of or interest on any Notes; or

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Notes set forth in this Bond Legislation, any supplemental resolution, the Indenture or in the Notes, 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 Trustee, any other bank or banking association holding any fund or account hereunder or a Holder of a Note; or

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

B. Each of the following events shall constitute an "Event of Default" with respect to the Bonds:

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

(B) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Bonds set forth in this Bond Legislation, any supplemental resolution, the Indenture or in the 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 Trustee, any other bank or banking association holding any fund or account hereunder or a Holder of a Bonds; or

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

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Note or Bond, as the case may be, 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 Notes or Bonds, as the case may be, (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 Notes or Bonds, as the case may be, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Notes or Bonds, or the rights of such Registered Owners, provided however, that no remedy herein stated may be exercised by a Noteholder in a manner which adversely affects any remedy available to the Bondholders, and provided further, that all rights and remedies of the Holders of the Series 1986 B Bonds shall be subject to those of the Holders of the Series 1986 A 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, 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 on behalf of the Issuer with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

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

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

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

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

DEFEASANCE

Section 10.01. Defeasance of Series 1986 A Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 1986 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 with respect to the Series A Bonds only, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1986 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Series 1986 A Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agents at the same or earlier time, shall be sufficient, to pay as and when due the principal installments of and interest on such Series 1986 A Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1986 A Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 1986 A Bonds on and prior to the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1986 A Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any

trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

Section 10.02. Defeasance of Series 1986 B Bonds. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Series 1986 B Bonds, the principal 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 Series B Bonds only, the pledge of Net Revenues and other moneys and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 1986 B Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Series 1986 B Bonds for the payment of which either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Paying Agents at the same or earlier time, shall be sufficient, to pay as and when due the principal installments of and interest on such Series 1986 B Bonds shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section. All Series 1986 B Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this section if there shall have been deposited with the Commission or its agent, either moneys in an amount which shall be sufficient, or securities the principal of and the interest on which, when due, will provide moneys which, together with other moneys, if any, deposited with the Commission at the same time, shall be sufficient to pay when due the principal installments of and interest due and to become due on said Series 1986 B Bonds on and prior to the maturity dates thereof. Neither securities nor moneys deposited with the Commission pursuant to this section nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal installments of and interest on said Series 1986 B Bonds; provided, that any cash received from such principal or interest payments on such securities deposited with the Commission or its agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in securities maturing at times and in amounts sufficient to pay when due the principal installments of and interest to become due on said Bonds on and prior to the maturity dates thereof, and interest earned from such reinvestments shall be paid over to the Issuer as received by the Commission or its agent, free and clear of any trust, lien or pledge. For the purpose of this section, securities shall mean and include only Government Obligations.

Section 10.03. Defeasance of Notes. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to the respective Holders of all Notes, the principal of and interest due or to become due thereon, at the times and in the manner set forth in the Indenture, then with respect to the Notes only, this Bond Legislation, the Indenture and the pledges of Grant Receipts and other moneys and securities pledged thereby, and all covenants, agreements and other obligations of the Issuer to the Holders of the Notes shall thereupon cease, terminate and become void and be discharged and satisfied.

## ARTICLE XI

### MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. No material modification or amendment of this Bond Legislation, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the respective rights of Registered Owners of the Notes or Bonds shall be made without the consent in writing of the Registered Owners of 66-2/3% or more in principal amount of the Notes or Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or any Note or Notes or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest out of the funds herein respectively pledged therefor without the consent of the respective Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds or Notes respectively, required for consent to the above-permitted amendments or modifications.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Bonds and Notes, 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, the Indenture, if any, the Bonds or the Notes, if any.

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. Amendments to Maintain Tax Exemption. The Issuer hereby covenants to make any amendment or supplements to this Resolution and to the Indenture authorized hereby to enable the Notes or Bonds to be issued in such form as to render the interest thereon exempt from federal income taxation, and to preserve such tax exemption until the maturity or redemption thereof without further consent of the Holders of the Bonds or the Notes.

Section 11.06. Conflicting Provisions Repealed. All orders or resolutions and or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 11.07. 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 enactment 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 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 11.08. Public Notice of Proposed Financing. Prior to adoption of this Resolution, the Secretary of the Governing Body shall have caused to be published in a newspaper of general circulation within the boundaries of Ohio County Public Service District, a Class II legal advertisement stating:

(a) The respective maximum amounts of the Bonds and Notes to be issued;

(b) The respective maximum interest rates and terms of the Bonds and the Notes originally authorized hereby;

(c) The Project to be acquired or constructed and the cost of the same;

(d) The anticipated rates which will be charged by the Issuer; and

(e) The fact that a form is available in the office of the Clerk of The County Commission of Ohio County and in the office of the Issuer for residents of that portion of the District which will be served by the Project who are registered voters to sign indicating their opposition to the Issuer's borrowing money or issuing the Bonds or the Notes originally authorized hereby, as the case may be. The Secretary of the Governing Body shall cause such form to be provided to said county clerk.

The Secretary of the Governing Body shall have also caused to be posted in conspicuous places throughout that portion of Ohio County Public Service District which will be served by the Project signs measuring not less than 8 1/2 inches in width and 11 inches in length which include the same information as required in the Class II legal advertisement set forth above.

Section 11.09. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 15th day of May, 1986.

  
Chairman, Public Service Board

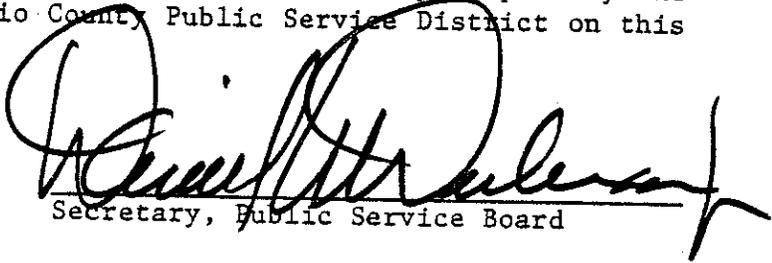
  
Member, Public Service Board

\_\_\_\_\_  
Member, Public Service Board

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of Ohio County, Public Service District on this 15th day of May, 1986.

[SEAL]

  
Secretary, Public Service Board

05/16/86  
OHPSD2-A

"EXHIBIT A"

"EXHIBIT B"



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

SUPPLEMENTAL BOND RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO DATES, MATURITIES, INTEREST RATES, PRINCIPAL PAYMENT SCHEDULES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 1986 A AND SERIES 1986 B, OF OHIO COUNTY PUBLIC SERVICE DISTRICT; AUTHORIZING AND APPROVING A LOAN AGREEMENT AND SUPPLEMENTAL LOAN AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO 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 resolution, effective May 15, 1986 (the "Bond Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF PUBLIC SEWERAGE 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 \$200,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986 A, NOT MORE THAN \$100,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 1986 B, AND NOT MORE THAN \$2,000,000 INTERIM CONSTRUCTION FINANCING, CONSISTING OF GRANT ANTICIPATION NOTES OR A LINE OF CREDIT EVIDENCED BY NOTES, OR BOTH; PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS AND NOTES; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE NOTES; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND NOTES AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds of the Issuer (the "Bonds"), in an aggregate principal amount of not to exceed \$300,000, to be issued in two series, the Series 1986 A Bonds to be in an aggregate principal amount of not more than \$200,000 (the "Series 1986 A Bonds") and the Series 1986 B Bonds to be in an aggregate principal amount of not more than \$100,000 (the "Series 1986 B Bonds"), and has authorized the execution and delivery of a Loan Agreement relating to the Series A Bonds and a Supplemental Loan Agreement relating to the Series B Bonds (sometimes collectively referred to herein as the "Loan Agreement"), both dated April 22, 1986, by and between the Issuer and West Virginia Water Development Authority (the "Authority"), all in accordance with West Virginia Code, 1931, as amended, Chapter 16, Article 13A (the "Act"); and in the Bond Resolution, it is provided that the maturity dates, interest rates, 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 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 bond resolution (the "Supplemental Bond Resolution") be adopted and that the Loan Agreement be entered into by the Issuer, that the prices, the maturity dates, the redemption provisions, the interest rates and the interest and principal payment dates 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 Bond Resolution is adopted and there are hereby authorized and ordered to be issued:

(A) The Sewer Revenue Bonds, Series 1986 A, of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$100,320. The Series 1986 A Bonds shall be dated the date of delivery thereof, shall mature October 1, 2025, shall bear interest at the rate of 9.75% per annum, payable semiannually on April 1 and October 1 of each year, first interest payable

October 1, 1986, shall be subject to redemption upon the written consent of the Authority, and upon payment of the interest and redemption premium, if any, provided in the Loan Agreement, as long as the Authority shall be the registered owner of the Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Loan Agreement and incorporated therein by reference.

(B) The Sewer Revenue Bonds, Series 1986 B, of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of \$49,961. The Series 1986 B Bonds shall be dated the date of delivery thereof, shall mature October 1, 2025, shall be interest free, shall be subject to redemption upon the written consent of the Authority, and upon payment of the redemption premium, if any, provided in the Loan Agreement, as long as the Authority shall be the registered owner of the Bonds, and shall be payable in installments of principal on October 1 of each of the years and in the amounts as set forth in "Schedule X," attached thereto and to the Supplemental Loan Agreement and incorporated therein by reference.

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 ratify its approval and acceptance of the Loan Agreement and the Supplemental Loan Agreement, copies of which are incorporated herein by reference, and the execution and delivery by the Chairman of the Loan Agreement and the Supplemental Loan Agreement, and the performance of the obligations contained therein, on behalf of the Issuer are hereby ratified and approved. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 4. The Issuer does hereby appoint and designate Kanawha Valley Bank, N.A., Charleston, West Virginia, as Registrar for the Bonds and does approve and accept the Registrar's Agreement dated as of May 16, 1986, by and between the Issuer and Kanawha Valley Bank, N.A., in substantially the form attached hereto, and the execution and delivery by the Chairman of the Registrar's Agreement, 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 direct the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent for the Bonds.

Section 6. Capitalized interest on the Series 1986 A Bonds shall be payable from proceeds of the Series A Bonds in the amount of \$ 12,091, which amount shall be sufficient to pay interest on the Series 1986 A Bonds to and including August 1, 1987.

Section 7. The Issuer does hereby appoint The First National Bank & Trust Company of Wheeling, Wheeling, West Virginia, as Depository Bank under the Bond Resolution.

Section 8. The Chairman and Secretary are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Bonds hereby and by the Bond Resolution approved and provided for, to the end that the Bonds may be delivered on or about May 16, 1986, to the Authority pursuant to the Loan Agreement.

Section 9. The financing of the Project in part with proceeds of the Bonds is in the public interest, serves a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 10. This Supplemental Bond Resolution shall be effective immediately following adoption hereof.

Adopted this 10<sup>th</sup> day of May, 1986.

OHIO COUNTY PUBLIC SERVICE DISTRICT

James C. Boyd  
Chairman  
David W. Decker  
Secretary

05/13/86  
OHPSD1-F



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"), and the governmental agency designated below (the "Governmental Agency").

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 20, Article 5C, of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered to make loans to governmental agencies for the acquisition or construction of water development projects by such governmental agencies and to issue water development revenue bonds of the State of West Virginia (the "State") to finance, in whole or in part, by loans to governmental agencies, one or more water development projects, all 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 construct, operate and improve a water development project, as defined by the Act, and to finance the cost of constructing or acquiring the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct or is constructing such a water development 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;

WHEREAS, having reviewed the Application and made all findings required by Section 5 of the Act and having available sufficient funds therefor, the Authority is willing 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 proceeds of certain water development revenue bonds of the State issued by the Authority pursuant to and in accordance with the provisions of the Act and a general resolution adopted by the Authority on May 22, 1985 (the "General Resolution"), as supplemented, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Authority's water development 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," "water development revenue bond," "cost," "governmental agency," "water development project," "wastewater facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Consulting Engineers" means the consulting engineer designated in the Application and any successor thereto.

1.3 "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.

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

1.5 "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 with a portion of the proceeds of its water development revenue bonds, all in accordance with the provisions of this Loan Agreement.

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

1.7 "Project" means the water development 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.

1.8 "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.

1.9 "System" means the water development 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.

1.10 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 constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and of 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 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.

2.4 The Governmental Agency agrees that the Authority and its 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 its duly authorized agents shall, prior to, at and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority in respect of 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, acting by and through its Director or his duly authorized representatives, to inspect all books, documents, papers and records relating to the Project at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority such documents and information as it may reasonably require in connection with the construction, acquisition and installation of the Project and the administration of the Loan or of 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 its agents 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 hereof.

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.

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 Authority. 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.

2.9 The Governmental Agency shall provide and maintain competent and adequate resident engineering services satisfactory to 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 resident engineer shall certify to the Authority 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 agrees that it will at all times provide operation and maintenance of the System to comply with all State and federal standards. The Governmental Agency agrees that qualified operating personnel properly certified by the State will be retained 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 Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

### ARTICLE III

#### Conditions to Loan; Issuance of Local Bonds

3.1 The agreement of the Authority to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority, 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 delivered to the Authority for purchase the Local Bonds described in this Article III and in Article IV hereof;

(c) The Governmental Agency shall have received bids for the construction of the Project which are in an amount

and otherwise compatible with the plan of financing described in the Application, and the Authority shall have received a certificate of the Consulting Engineers to such effect;

(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 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") necessary for the issuance of the Local Bonds, construction of the Project and imposition of rates and charges and shall have taken any other action required for the imposition of such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), and the Authority 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, to such effect;

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

(g) 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) 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 such person or firm and in form and substance satisfactory to the Authority, to such effect and evidence satisfactory to it 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 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 five (5) 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 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.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing and to the right of the Authority to make such loans to other governmental agencies as in the aggregate will permit the fullest and most timely utilization of such proceeds to enable the Authority to pay debt service on the water development revenue bonds issued by it. The Governmental Agency specifically recognizes that the Authority will not execute this Loan Agreement unless and until it has available funds sufficient to purchase all the Local Bonds and that, prior to such execution, 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

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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 enacted, contain provisions and covenants in substantially the form as follows:

(a) That the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as set forth on Schedule Y attached hereto and incorporated herein by reference. The gross revenues of the System shall always be used for purposes of the System.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by the revenues from the System, as more fully set forth in Schedules X and Y attached hereto;

(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 or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the reserve account established for the payment of debt service on the Local Bonds (the "Reserve Account") is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in any year (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 will complete the Project and operate and maintain the System in good condition;

(iv) That 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 or payable from the revenues of the System prior to the Local Bonds; 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;

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

(viii) That any bond owner 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 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 and shall submit the report of said audit to the Authority, which shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Loan Agreement;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

(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, except for accrued interest and capitalized interest, if any, must be deposited in a construction fund on which the owner 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 for non-construction costs); and

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency shall not authorize redemption of any Local Bonds by it without the written consent of the Authority and otherwise in compliance with this Loan Agreement.

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, 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 A.

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.

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

4.4 The Loan shall bear interest from the date of the delivery to the Authority of the Local Bonds until the date of payment thereof, 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.

4.6 The Governmental Agency agrees to pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be as determined by the Authority and shall include without limitation Program expenses and fees paid to the trustee and paying agents for the water development revenue bonds. The Governmental Agency hereby specifically authorizes the Authority to exercise the powers granted it by Section 9.06 of the General Resolution.

4.7 As long as the Authority is the owner of any of the Local Bonds outstanding, the Governmental Agency shall not redeem any of such Local Bonds outstanding without the written consent of the Authority, and any such redemption of Local Bonds authorized by the Authority shall provide for the payment of interest to the first allowable redemption date for the applicable water development revenue bonds, the redemption premium payable on the applicable water development revenue bonds redeemable as a consequence of such redemption of Local Bonds and the costs and expenses of the Authority in effecting any such redemption, all as further prescribed by Section 9.11 of the General Resolution. Nothing in this Loan Agreement shall be construed to prohibit the Authority from refunding applicable water development revenue bonds, and such refunding need not be based upon or result in any benefit to the Governmental Agency.

#### 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, as

set forth in ~~the Local Act and in compliance with the~~ provisions of Subsection 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 minimum sums set forth in the Local Act, 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 so as to provide funds sufficient to produce the minimum sums set forth in the Local Act and as required by this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment of any fees due to the Authority pursuant to Section 4.6 hereof, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The 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 Section 6a of the Act, including without limitation the right to impose, enforce and collect directly charges upon users of the System.

## ARTICLE VI

### Other Agreements of the Governmental Agency

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

6.2 At the option of the Authority, the Governmental Agency shall issue and sell to the Authority additional, subordinate bonds to evidence the Governmental Agency's obligation to repay to the Authority any grant received by the Governmental Agency from the Authority in excess of the amount

to which the Governmental Agency is entitled pursuant to applicable policies or rules and regulations of the Authority. Also at the option of the Authority, the Governmental Agency may issue and sell to the Authority additional, subordinate bonds for such purposes as may be acceptable to the Authority.

6.3 The Governmental Agency hereby warrants and represents that all information provided to the Authority in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time provided, 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 shall have the right to cancel all or any of its obligations under this Loan Agreement if (a) any representation made to the Authority 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 this Loan Agreement.

## ARTICLE VII

### Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency are 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, Y and Z shall be attached to this Loan Agreement at the time of execution hereof by the Authority 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.

7.3 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.

7.4 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.

7.5 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.

7.6 This Loan Agreement merges and 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.

7.7 By execution and delivery of this Loan Agreement, 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.

7.8 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 if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority pursuant to Section 6.3 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.

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 Governmental Agency, but this Loan Agreement shall not be binding on the Authority until executed by it.

Ohio County Public Service District  
[Proper Name of Governmental Agency]

(SEAL)

BY

James C. Boyle Jr.  
Its Chairman

Attest:

*David W. Wilkins*  
Its Secretary

Date:

*April 8, 1986*

WEST VIRGINIA WATER DEVELOPMENT  
AUTHORITY

(SEAL)

By

*Edwin N. Dewey*  
Director

Attest:

Date:

*4/22/86*

*Daniel B. [unclear]*  
Secretary-Treasurer

EXHIBIT A

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

West Virginia Water Development Authority  
1201 Dunbar Avenue  
Dunbar, West Virginia 25064

Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement, dated \_\_\_\_\_, 19\_\_ (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated \_\_\_\_\_, 19\_\_ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are in the principal amount of \$\_\_\_\_\_, issued in the form of one bond registered as to principal and interest to the Authority, with interest payable April 1 and October 1 of each year, beginning \_\_\_\_\_ 1, 19\_\_, at the respective rate or rates and with principal payable in installments on October 1 in each of the years, all as follows:

<u>Year</u>	<u>Installment</u>	<u>Interest Rate</u>
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The Local Bonds are issued for the purpose of \_\_\_\_\_ and 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"), under which

the Local Bonds are issued, and the Loan Agreement that has been undertaken, including all schedules and exhibits to the Loan Agreement. The Local Bonds have been authorized by a bond \_\_\_\_\_ (the "Local Act") duly enacted by the Governmental Agency, which contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement. 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 cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Governmental Agency without the consent of the Authority.

3. The Governmental Agency is a duly organized and presently existing \_\_\_\_\_, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Governmental Agency has legally and effectively enacted the Local Act and all other necessary \_\_\_\_\_ in connection with the issuance and sale of the Local Bonds.

5. The Local Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the [net] revenues of the System referred to in the Local Act and secured by a [first] lien on and pledge of the [net] revenues of said System, all in accordance with the terms of the Local Bonds and the Local Act, and have been duly issued and delivered to the Authority.

[6. The Governmental Agency has reserved the right to issue additional bonds ranking on a parity with the Local Bonds, as provided in the Local Act.]

7. 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 exempt from federal income taxation.

No opinion is given herein as to the enforceability of remedies with respect to the Local Bonds under any applicable bankruptcy, insolvency, moratorium or other laws affecting creditors' rights.

We have examined executed 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,



WDA-Supp. 5  
(November 1985)

SUPPLEMENTAL LOAN AGREEMENT

THIS SUPPLEMENTAL 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"), and the governmental agency designated below (the "Governmental Agency").

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 20, Article 5C, of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered to make loans to governmental agencies for the acquisition or construction of water development projects by such governmental agencies and to issue water development revenue bonds of the State of West Virginia (the "State") to finance, in whole or in part, by loans to governmental agencies, one or more water development projects, all 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 construct, operate and improve a water development project, as defined by the Act, and to finance the cost of constructing or acquiring the same by borrowing money to be evidenced by revenue bonds, including supplemental, subordinate revenue bonds, issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct or is constructing such a water development 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;

WHEREAS, on or prior to the date hereof, the Governmental Agency and the Authority entered a loan agreement with respect to the purchase by the Authority of certain Local Bonds of the Governmental Agency, all as more specifically described in Exhibit A attached hereto and incorporated herein by reference (the "Loan Agreement").

WHEREAS, having reviewed the Application and made all findings required by Section 5 of the Act, and having available sufficient funds therefore, the Authority is willing to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of supplemental, subordinate revenue bonds of the Governmental Agency with certain available funds of the Authority (other than the proceeds of certain water development revenue bonds of the State issued by the Authority pursuant to and in accordance with the provisions of the Act and a general resolution adopted by the Authority on May 22, 1985, as supplemented), subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Authority's supplemental water development loan program (the "Supplemental 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; Loan Agreement

1.1 Capitalized terms used and not otherwise defined herein shall have the meanings respectively given them by the Loan Agreement.

1.2 Except where the context clearly indicates otherwise, the terms "Authority," "water development revenue bond," "cost," "governmental agency," "water development project," "wastewater facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

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

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

1.5 "Supplemental Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, to evidence the Supplemental Loan and to be purchased by the Authority with certain available funds (other than the proceeds of its water development revenue bonds), the lien of which on the revenues of the System is junior, subordinate and inferior to that of the Local Bonds, all in accordance with the provisions of this Supplemental Loan Agreement.

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

1.7 This Supplemental Loan Agreement is supplemental to the Loan Agreement, the terms of which are incorporated herein by reference.

## 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 constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority having found, to the extent applicable, that the Project is consistent with the applicable comprehensive plan of water management approved by the Director of the West Virginia Department of Natural Resources (or in the process of preparation by such Director), has been approved by the West Virginia Department of Health and is consistent with the standards set by the West Virginia Water Resources Board for the waters of the State affected thereby.

2.2 Subject to the terms, conditions and provisions of this Supplemental Loan Agreement and of 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 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.

2.4 The Governmental Agency agrees that the Authority and its 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 its duly authorized agents shall, prior to, at and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority in respect of 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, acting by and through its Director or his duly authorized representatives, to inspect all books, documents, papers and records relating to the Project at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority such documents and information as it may reasonably require in connection with the construction, acquisition and installation of the Project and the administration of the Supplemental Loan or of 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 its agents 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.

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.

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 Authority. 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.

2.9 The Governmental Agency shall provide and maintain competent and adequate resident engineering services satisfactory to 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 resident engineer shall certify to the Authority 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 agrees that it will at all times provide operation and maintenance of the System to comply with all State and federal standards. The Governmental Agency agrees that qualified operating personnel properly certified by the State will be retained to operate the System during the entire term of this Supplemental Loan Agreement.

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by 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.

### ARTICLE III

#### Conditions to Supplemental Loan; Issuance of Supplemental Bonds

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

(b) The Governmental Agency shall have authorized the issuance of and delivered to the Authority for purchase the Supplemental Bonds described in this Article III and in Article IV hereof and shall have delivered to the Authority for purchase the Local Bonds in accordance with the Loan Agreement;

(c) The Governmental Agency shall have received bids for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application, and the Authority shall have received a certificate of the Consulting Engineers to such effect;

(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 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") necessary for the issuance of the Supplemental Bonds, construction of the Project and imposition of rates and charges and shall have taken any other action required for the imposition of such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), and the Authority 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, to such effect;

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

(g) The net proceeds of the Supplemental Bonds, together with the net proceeds of the Local Bonds and all other 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) 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 such person or firm and in form and substance satisfactory to the Authority, to such effect and evidence satisfactory to it of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Supplemental Loan Agreement, the rules and regulations promulgated by the Authority 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 Supplemental

Loan to the Governmental Agency and the Governmental Agency shall accept the Supplemental 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 Supplemental Loan by purchasing the Supplemental Bonds in the principal amount and at the price set forth in Schedule X hereto. The Supplemental Bonds shall have such further terms and provisions as described in Article IV hereof.

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

3.4 The Supplemental Loan will be made only in conjunction with the Loan. The Supplemental Bond shall be delivered to the Authority, at the offices of the Authority, simultaneously with the delivery of the Local Bond to the Authority.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Authority for loans to finance water development projects and that the obligation of the Authority to make any such loan is subject to the Governmental Agency's fulfilling all of the terms and conditions of this Supplemental Loan Agreement and the Loan Agreement on or prior to the Date of Loan Closing and to the right of the Authority to make such loans to other governmental agencies under the conditions and in the manner described in the Loan Agreement. The Governmental Agency further understands and acknowledges that the Authority's obligation to make the Supplemental Loan is subject to the availability on the Date of Loan Closing of funds legally available therefor.

#### ARTICLE IV

Supplemental Bonds; Security for Supplemental Loan;  
Repayment of Supplemental Loan; No Interest on  
Supplemental Loan; Fees and Charges

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

(a) That the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as set forth on Schedule Y attached hereto and

incorporated herein by reference. The gross revenues of the System shall always be used for purposes of the System.

(b) Covenants substantially as follows:

(i) That the Supplemental Bonds shall be secured by the revenues from the System, as more fully set forth in Schedules X and Y attached hereto, subject to the prior and senior security therefrom granted to the Local Bonds;

(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 the Supplemental Bonds and all other obligations secured by or payable from the revenues of the System prior to or on a parity with the Local Bonds and on a parity with the Supplemental Bonds or, if the reserve accounts established for the payment of debt service on the Local Bonds (the "Reserve Account") and for the payment of debt service on the Supplemental Bonds (the "Supplemental Reserve Account") are funded (whether by Local Bond proceeds with respect to the Local Bonds, monthly deposits or otherwise), respectively, at an amount at least equal to the maximum amount of principal and interest which will come due on the Local Bonds in any year (the "Reserve Requirement") or on the Supplemental Bonds in any year (the "Supplemental Reserve Requirement"), as the case may be, 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 the Supplemental Bonds and any such prior or parity obligations;

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

(iv) That 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 and Supplemental 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 Supplemental Bonds, except the Local Bonds and bonds on a parity with the Supplemental Bonds, which parity bonds 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 Supplemental Bonds and parity bonds theretofore and then being issued and on the Local Bonds and any other obligations secured by or payable from the revenues of the System prior to the Supplemental Bonds; provided, however, that additional parity Local Bonds and additional parity Supplemental 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;

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

(viii) That any bond owner 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 or interest on the Supplemental Bonds, the right to obtain the appointment of a receiver to administer the System as provided by law, subject to the prior and senior rights of the owner or owners of the Local Bonds;

(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 and shall submit the report of said audit to the Authority, which shall include a statement that the Governmental Agency is in compliance with the terms and provisions of the Local Act and this Supplemental Loan Agreement;

(xii) That the Governmental Agency shall annually adopt a detailed budget of the estimated expenditures for operation and maintenance of the System during the succeeding fiscal year;

(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 Supplemental Bonds, except for accrued interest and capitalized interest, if any, must be deposited in a construction fund on which the owner of the Supplemental Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing for non-construction costs), provided that said construction fund may be the one established for the Local Bonds, which shall have a prior and senior lien thereon; and

(xv) That, as long as the Authority is the owner of any of the Supplemental Bonds, the Governmental Agency shall not authorize redemption of any Supplemental Bonds by it without the written consent of the Authority.

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, sale and delivery of the Supplemental 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 Supplemental 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 the prior and senior security therefrom for the Local Bonds and to such reservations and exceptions as are

described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority.

4.3 The principal of the Supplemental Loan shall be repaid by the Governmental Agency annually on the day and in the years provided in Schedule X hereto.

4.4 The Supplemental Loan shall not bear interest.

4.5 The Supplemental 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.

4.6 The Governmental Agency agrees to pay from time to time, as required by the Authority, the Governmental Agency's allocable share of the reasonable administrative expenses of the Authority relating to the Supplemental Program, which administrative expenses shall be as determined by the Authority.

#### 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 Supplemental 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 Supplemental Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System, as set forth in the Local Act and in compliance with the provisions of Subsection 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 and the Supplemental Bonds shall prove to be insufficient to produce the minimum sums set forth in the Local Act, 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 so as to provide funds sufficient to produce the minimum sums set forth in the Local Act and as required by this Supplemental Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment of any fees due to the Authority pursuant to Section

4.6 hereof, the amount of such default shall bear interest at the rate of five percent (5%) per annum, 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 Section 6a of the Act, including without limitation the right to impose, enforce and collect directly charges upon users of the System.

## ARTICLE VI

### Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby acknowledges to the Authority its understanding of the provisions of the Act, vesting in the Authority certain powers, rights and privileges with respect to water development projects in the event of default by governmental agencies in the terms and covenants of loan agreements, and the Governmental Agency hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Governmental Agency shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render negatory such actions of the Authority in the due and prompt implementation of this Supplemental Loan Agreement.

6.2 The Governmental Agency hereby warrants and represents that all information provided to the Authority in this Supplemental Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time provided, 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 Supplemental Loan and receiving the Supplemental Bonds, the Authority shall have the right to cancel all or any of its obligations under this Supplemental Loan Agreement if (a) any representation made to the Authority by the Governmental Agency in connection with the Loan or the Supplemental 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 Loan Agreement or this Supplemental Loan Agreement.

## ARTICLE VII

### Miscellaneous

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

7.2 Schedules X, Y and Z shall be attached to this Supplemental Loan Agreement at the time of execution hereof by the Authority 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.

7.3 If any provision of this Supplemental 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 Supplemental Loan Agreement, and this Supplemental Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.4 This Supplemental 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 Supplemental Loan Agreement.

7.5 No waiver by either party of any term or condition of this Supplemental 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 Supplemental Loan Agreement.

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

7.7 By execution and delivery of this Supplemental Loan Agreement, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Supplemental Bonds to the Authority and that such obligation may be specifically

enforced or subject to a similar equitable remedy by the Authority.

7.8 This Supplemental Loan Agreement shall terminate upon the earlier of:

(i) termination by the Authority of the Loan Agreement pursuant to Subsections 7.8(i) or (ii) thereof;

(ii) termination by the Authority pursuant to Section 6.2 hereof; or

(iii) payment in full of the principal of the Supplemental Loan and of any fees and charges owed by the Governmental Agency to the Authority.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Governmental Agency, but this Supplemental Loan Agreement shall not be binding on the Authority until executed by it.

Ohio County Public Service District  
[Proper Name of Governmental Agency]

(SEAL)

By

James C. Boyd Jr.  
Its Chairman

Date:

4/8/86

Attest:

[Signature]  
Its Secretary

WEST VIRGINIA WATER DEVELOPMENT  
AUTHORITY

(SEAL)

By

[Signature]  
Director

Date:

4/22/86

Attest:

[Signature]  
Secretary-Treasurer

EXHIBIT A

LOAN AGREEMENT

Date:

Principal Amount of Local Bonds:

EXHIBIT B

[Opinion of Bond Counsel for Governmental Agency]

[To Be Dated as of Date of Loan Closing]

West Virginia Water Development Authority  
1201 Dunbar Avenue  
Dunbar, West Virginia 25064

Gentlemen:

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

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement, dated \_\_\_\_\_, 19\_\_ (the "Supplemental Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), and (ii) the issue of a series of supplemental, subordinate revenue bonds of the Governmental Agency, dated \_\_\_\_\_, 19\_\_ (the "Supplemental Bonds"), to be purchased by the Authority in accordance with the provisions of the Supplemental Loan Agreement. The Supplemental Bonds are in the principal amount of \$\_\_\_\_\_, issued in the form of one bond registered as to principal to the Authority, without interest thereon, with principal payable in installments on October 1 in each of the years, as follows:

<u>Year</u>	<u>Installment</u>
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The Supplemental Loan Agreement is supplemental to a loan agreement dated \_\_\_\_\_, \_\_\_\_\_, also between the Governmental Agency and the Authority (the "Loan Agreement"). The Supplemental Bonds are junior, subordinate and inferior as to lien and source of and security for payment to the bonds issued pursuant to the Loan Agreement (the "Local Bonds"), which Local Bonds are issued simultaneously herewith.

The Supplemental Bonds are issued, together with the Local Bonds, for the purpose of \_\_\_\_\_ and 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"), under which the Supplemental Bonds are issued, and the Supplemental Loan Agreement that has been undertaken, including all schedules and exhibits to the Supplemental Loan Agreement. The Supplemental Bonds have been authorized by a bond \_\_\_\_\_ (the "Local Act") duly enacted by the Governmental Agency, which contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Supplemental Loan Agreement. The Supplemental 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 Supplemental 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 Supplemental 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 Supplemental Loan Agreement inures to the benefit of the Authority and cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Governmental Agency without the consent of the Authority.
3. The Governmental Agency is a duly organized and presently existing \_\_\_\_\_, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Supplemental Loan Agreement and to issue and sell the Supplemental Bonds, all under the Local Statute and other applicable provisions of law.
4. The Governmental Agency has legally and effectively enacted the Local Act and all other necessary \_\_\_\_\_ in connection with the issuance and sale of the Supplemental Bonds.
5. The Supplemental Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the [net] revenues of the System referred to in the Local Act and secured by a lien on and pledge of the [net] revenues of said System, all in accordance with the terms of the Supplemental Bonds and the Local Act, and have been duly issued and delivered to the Authority. Said lien and pledge are junior, subordinate and inferior to that created for the Local Bonds [and \_\_\_\_\_].

6. The Governmental Agency has reserved the right to issue additional bonds ranking on a parity with the Supplemental Bonds, as provided in the Local Act.

7. The Supplemental Bonds are, by statute, exempt

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No opinion is given herein as to the enforceability of remedies with respect to the Supplemental Bonds under any applicable bankruptcy, insolvency, moratorium or other laws affecting creditors' rights.

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

Very truly yours,

WDA-Supp. 5X  
(November 1985)

SCHEDULE X  
DESCRIPTION OF SUPPLEMENTAL BONDS

Principal Amount of Supplemental Bonds	\$ _____
Purchase Price of Supplemental Bonds	\$ _____

Principal of the Supplemental Bonds is payable on October 1 in each year as set forth on Exhibit 1 attached hereto and incorporated herein by reference.

As of the date of the Supplemental Loan Agreement, the Supplemental Bonds are subordinate as to source of and security for payment to the following obligations, other than the Local Bonds:

EXHIBIT 1

DEBT SERVICE SCHEDULE

WDA-Supp. 5Y-Municipal Sewer  
(November 1985)

SCHEDULE Y  
REVENUES

In accordance with Subsection 4.1(a) of the Supplemental Loan Agreement, the revenues generated from the operation of the System will be used monthly, in the order of priority listed, as follows:

(i) as prescribed by the Loan Agreement, to pay Operating Expenses of the System;

(ii) as prescribed by the Loan Agreement, to the extent not otherwise limited by an outstanding local resolution, indenture or other act or document, as reflected on Schedule X to the Loan Agreement, and beginning seven (7) months prior to the first date of payment of interest on the Local Bonds from revenues and thirteen (13) months prior to the first date of payment of principal of the Local Bonds, respectively, to provide debt service on the Local Bonds by depositing in a sinking fund one-sixth ( $1/6$ ) of the interest payment next coming due on the Local Bonds and one-twelfth ( $1/12$ ) of the principal payment next coming due on the Local Bonds and, if the Reserve Account was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof, in an amount equal to the Reserve Requirement, by depositing in the Reserve Account an amount equal to one-twelfth ( $1/12$ ) of one-tenth ( $1/10$ ) of the amount necessary to fund the Reserve Account at 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) as prescribed by the Loan Agreement, 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;

(iv) beginning thirteen (13) months prior to the first date of payment of principal of the Supplemental Bonds, to provide debt service on the Supplemental Bonds by depositing in a sinking fund one-twelfth ( $1/12$ ) of the principal payment next coming due on the Supplemental Bonds and, if the Supplemental Reserve Account was not funded

concurrently with the issuance thereof in an amount equal to the Supplemental Reserve Requirement, by depositing in the Supplemental Reserve Account an amount equal to one-twelfth (1/12) of one-tenth (1/10) of the amount necessary to fund the Supplemental Reserve Account at the Supplemental Reserve Requirement or, if the Supplemental Reserve Account has been so funded (whether by monthly deposits or otherwise), any amount necessary to maintain the Supplemental Reserve Account at the Supplemental Reserve Requirement;

(v) to provide debt service on and requisite reserves for any other subordinate indebtedness of the Governmental Agency held or owned by the Authority; and

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

WDA-Supp. 5Z-Municipal Sewer (EPA)  
(November 1985)

## SCHEDULE Z

### Additional and Supplemental Definitions

1. "EPA" means the United States Environmental Protection Agency and any successors to the functions thereof.
2. "Local Statute" means Chapter 16, Article 13, of the Code of West Virginia, 1931, as amended.
3. "System" means the works for the collection and/or treatment, purification and disposal of sewage, in its entirety or any integral part thereof, owned by the Governmental Agency and under the supervision and control of a sanitary board, and any extensions, improvements or betterments thereto hereafter constructed or acquired from any sources whatsoever and includes the Project.

### Additional Conditions and Covenants

1. The Governmental Agency agrees that it will at all times provide operation and maintenance of the System to comply with, among other State and federal standards, the water quality standards established by the West Virginia Department of Natural Resources and EPA.
2. The Governmental Agency agrees that it will permit the EPA 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.
3. As a condition precedent to the Authority's making the Supplemental Loan, the Governmental Agency shall have obtained, among other permits required, permits from the EPA and the West Virginia Department of Natural Resources and approval of the "Part B" supplement to its EPA grant agreement.
4. The Local Act shall contain a covenant substantially as follows:

That the Governmental Agency will, to the full extent permitted by applicable law and the rules and regulations of the PSC, discontinue and shut off the services and facilities of the System and, in the event the Governmental



PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON

Entered: April 10, 1986

CASE NO. 85-472-S-CN

OHIO COUNTY PUBLIC SERVICE DISTRICT,  
a public utility, Triadelphia,  
Ohio County.

Application for a certificate of convenience and necessity to construct and operate a sanitary sewer system along the Wheeling Creek watershed including parts of Springdale, Stone Church Road, Roneys Point, Dixons Run, Valley View Addition and Peters Run Road, all commonly referred to as Phase IIA, Ohio County.

HEARING EXAMINER'S DECISION

PROCEDURE

On August 13, 1985, Ohio County Public Service District ("OCPSD" or "District"), a public utility, Triadelphia, Ohio County, filed a duly verified application for a certificate of convenience and necessity to construct and operate a sanitary sewer system along the Wheeling Creek watershed including parts of Springdale, Stone Church Road, Roneys Point, Dixons Run, Valley View Addition and Peters Run Road, all commonly referred to as Phase IIA, Ohio County Consolidated Sewer Project. The District plans to finance this proposed construction with grants from the Environmental Protection Agency and Water Development Authority, as well as through the issuance of revenue bonds and collection of tap fees.

By order of this Commission entered October 9, 1985, the Commission set this matter for hearing to be held in the Court Room, West Virginia Independence Hall, 1528 Market Street, Wheeling, West Virginia, on Wednesday, November 20, 1985, at 9:30 a.m., EST.

On November 19, 1985, the Commission Staff filed "Motion to Continue Staff's Case and Hearing to be Held on Wednesday, November 20, 1985." In its motion, Staff Counsel represented that the Staff's Engineering witness had been absent from the Commission's office in an effort to assist victims of the then recent flooding. As a result, the Engineering Division was forced to defer pending case-related matters including the preparation for hearing of this certificate application. On this basis, the Commission Staff requested a continuance insofar as the presentation of its case. Counsel for the Applicant expressed no opposition and in fact joined in this motion.

Therefore, on November 20, 1985, the parties appeared as directed by Commission order. At that time and place, the Hearing Examiner granted Staff's motion to continue the presentation of its case and likewise granted a continuance to the District concerning the presentation of its direct case. While the direct cases were not presented at this time, the testimony of several proposed customers of the District's Phase II project were taken for consideration. The Hearing Examiner then continued this proceeding until December 11, 1985, and therefore entered a Procedural Order on November 21, 1985, which formally set this matter for further hearing to be held in the Court Room, West Virginia Independence Hall, 1528 Market Street, Wheeling, West Virginia, on Wednesday, December 11, 1985, at 9:30 a.m., EST. By said order, the Commission Staff and District were directed to appear and prosecute their respective cases.

Proper notice of the further hearing was given to all parties of record and the same was convened as scheduled. The Ohio County Public Service District appeared by its proper officials and represented by counsel, George G. Bailey and John P. Bailey. The Public Service

Commission was represented by its Legal Division, by Susan Koval. Appearing as Staff Members in this proceeding were David Hippchen, Engineering Division, and Diane Davis, Finance and Special Studies Division. No other party or parties sought to intervene in this proceeding and the additional testimony of one other customer was taken prior to the presentation of evidence.

Testimony was taken and evidence introduced, at the close of which, this matter was submitted pending the receipt of certain post-hearing exhibits and the receipt of proposed orders and/or memoranda of law.

At the request of Staff, the Applicant provided additional information regarding its revised bill analysis, interim financing information, agreement for treatment services to be provided by the City of Wheeling. Evidence was also provided that notice to fourteen (14) customers that their sewer service will be provided by the District rather than the City of Wheeling had been given. This information was received during December of 1985 and January, 1986.

On January 17, 1986, the Engineering Division entered its final recommendations. In his memorandum, Staff Engineer David Hippchen outlined several minor changes which had come to his attention since the hearing date. He recommends that a certificate of convenience and necessity be granted and that Staff's engineering recommendations, rate design and cash flow analysis be adopted.

On January 30, 1986, the final recommendations of the Finance and Special Studies Division were entered in this proceeding. In his memorandum dated January 21, 1986, Gregory O. Curry recommends that the Applicant be granted a certificate of convenience and necessity to construct the proposed project, but that said approval be granted contingent upon the

requirement that the District republish Staff's revised recommended rates. These rates and charges were based upon information submitted, post-hearing, and will be somewhat higher for some customers and lower for others. Mr. Curry also recommends that the District be required to keep its books and records in a manner so that it will be able to determine the cost of service for each of the District's three systems and directly assign costs where possible. Costs not directly assignable should be allocated using standard allocation factors.

On February 4, 1986, Staff Attorney Susan D. Koval, filed a Memorandum of Law in this proceeding, supporting Staff's request that the District be directed to republish the newly recommended Staff rates. In support of this request, Staff takes the position that due process requires potential customers affected by a change in the proposed rates must be given notice of the change and an opportunity to review the new rates and reevaluate their decision to support or oppose a particular project. Staff indicates that at the November 20, 1985 hearing, comments from proposed customers focused upon proposed rates as well as comments contained in some of the protest letters. Therefore, Staff requests that the Hearing Examiner order the District to repeat the publication procedures outlined in West Virginia Code Chapter 16, Section 13A-25, utilizing the rates recommended by Staff, in Mr. Curry's memorandum dated January 21, 1986.

By letter dated February 4, 1986, and by Memorandum of Law filed February 12, 1986, Counsel for the District took issue with Staff's recommendations. While pointing out that Staff's amended proposed rates were proper and stipulated to those rates, the District does not believe it should be made to republish those proposed rates. In support of its

position, the District stated that publication and vote thereon, was initially made in April 1984, pursuant to West Virginia Code §16-13A-25. At that time less than 50% of the registered voters showed their opposition to the proposed project. Because of a subsequent change in the interest rate on the amounts borrowed by the District, a republication was made and the project again was voted on during July and August of 1985. Only 16% of the registered voters indicated their opposition. In addition, notice of hearing was published and two distinct hearings held in this proceeding. The entire project and hearings received a substantial media coverage in the Wheeling area, which further gave customers to be served by this project additional notice of the hearing and matters related thereto. The District also points out that the Staff's newly recommended rates are lower than those originally requested for 51% of the customers, who are low-use customers of the system.

More importantly, the District points out that the publication requirement of West Virginia Code §16-13A-25 requires that the amount of money to be borrowed, the interest rate and terms, and the properties to be constructed, with their costs, be published with specificity. This Code Section only requires that the anticipated rates be charged and the District takes the position that it fully complied with this requirement. Further publication would lead to further hearing, and the delays caused by further hearing would require bids be retaken and in all likelihood costs will escalate. With this project, this will undoubtedly cause the funding makeup to be changed and using Staff's analysis, republication could then be required.

The Hearing Examiner has considered the arguments presented by both the Commission Staff and by the District, including Staff's final response

to the Applicant's Memorandum of Law, filed on March 10, 1986. The Hearing Examiner is of the opinion and finds that the District has complied with the publication requirements of West Virginia Code §16-13A-25 and that the customers who will be served by this project, have had adequate notice of this proceeding, throughout its processing, and that further publication of the rates contained in Staff's memorandum of January 21, 1986, is not required herein.

DISCUSSION OF THE EVIDENCE  
INCLUDING FINDINGS OF FACT

The exhibits tendered and accepted into evidence are as follows:

- |                            |   |
|----------------------------|---|
| Applicant's Exhibit No. 1  | - Treatment Agreement between City of Triadelphia and District                                |
| Applicant's Exhibit No. 2  | - Letter dated March 30, 1984 from Environmental Protection Agency rebudgeting initial grant  |
| Applicant's Exhibit No. 3  | - Letter dated April 16, 1985 from Environmental Protection Agency reconfirming funding grant |
| Applicant's Exhibit No. 4  | - Funding Commitment from Water Development Authority   |
| Applicant's Exhibit No. 5  | - Engineering Report, dated June 1985   |
| Applicant's Exhibit No. 6  | - Rule 42 Exhibit dated September 19, 1985  |
| Applicant's Exhibit No. 7  | - Bid tabulations, revised construction and implementation schedules                          |
| Applicant's Exhibit No. 8  | - Responses to Staff Data Request   |
| Applicant's Exhibit No. 9  | - Affidavit of Publication, pursuant to <u>Code §16-13A-25</u>                                |
| Applicant's Exhibit No. 10 | - Engineering Map   |
| Applicant's Exhibit No. 11 | - Engineering Map   |

- |                            |  |
|----------------------------|--|
| Applicant's Exhibit No. 12 | - Engineering Map  |
| Staff Exhibit No. 1        | - Operation and Maintenance Expenses   |
| Staff Exhibit No. 2        | - Comments on Reserve Accounts   |
| Staff Exhibit No. 3        | - Engineering Recommendations  |
| Staff Exhibit No. 4        | - Memorandum dated November 5, 1985<br>from Utilities Analyst Gregory O. Curry |

The first witness to testify in support of this application was Dominick Cerrone. Mr. Cerrone is an engineer licensed by the State of West Virginia and his engineering firm, Cerrone and Vaughan, Incorporated, has assisted the Ohio County Public Service District with its various sewer projects, for the past five years. (Tr., Vol. II, p. 9).

Mr. Cerrone explained that prior to 1975, a plan was devised by which the Ohio County Public Service District would provide sewer service to the unincorporated portions of Ohio County. In 1975 it was discovered that this plan could not be affordable as a single project using basically gravity system technology. Since that time, the District has worked on several projects designed to provide sewer service to individual portions of the District. In compliance with new federal regulations, a restudy of the area covered by this application was undertaken to explore the cost benefit effects of alternative and innovative technology. Therefore, in 1981 a revised facilities plan was submitted to the District which incorporated alternate systems for various areas of the County. (Tr., Vol. II, pp. 9, 10).

The project encompassed by this application has been designated Phase IIA. Mr. Cerrone explained that when his engineering firm made its initial investigation of the service area, as well as during its reexamination, it found a large number of malfunctioning septic tanks as well

as direct discharges into streams. This spot survey indicated that at least 30% of the customers who would be served by this project had completely malfunctioning sewer systems. The Phase IIA area consists of several different portions of the County. The first portion contains the Dixons Run, Route 40 and Roneys Point areas, which are considered to be one sub-project area. The Stone Church and Valley View areas are also considered as one contiguous area. The two remaining areas, Peters Run and Springdale, are considered as separate areas. (Tr., Vol. II, pp. 10-13).

As a result of his firm's reevaluation, it was determined that several of these areas could best and most efficiently be served by the use of alternative sewer collection technology. The Stone Church and Valley View areas will be served by a gravity system, as well as Roneys Point and Route 40 areas. The Peters Run portion of the District will be served by a vacuum sewer system and the Dixons Run area will be served by a pressure system. Mr. Cerrone explained that to encourage the use of alternative systems, the Environmental Protection Agency will provide an additional 10% grant toward the construction of these types of facilities. The vacuum system will require the installation of a vacuum station along Wheeling Creek and a section of Route 40 and Peters Run. Where electric grinder pumps are required, these pumps will be gang wired, which will allow for the power company to supply a separate drop line and meter where the group of pumps are located. Thus, the power used by these pumps will not be charged to the individual customers and these pumps will be in no way connected to the customers' electrical system. This project will serve approximately 353 residences and its anticipated daily flow of 60,000 gallons will be transported to the City of Wheeling's plant for

treatment. Part of the flow from this system will run through the Village of Triadelphia's system, which has sufficient capacity for this purpose, and the Village of Triadelphia and City of Wheeling have signed agreements providing for these services. Mr. Cerrone testified that the City of Wheeling presently uses between 7 and 8 million gallons per day of its plant's 15 million gallon per day capacity. (Tr., Vol. II, pp. 14-21; Applicant's Exhibit No. 1).

Bids have been taken on this project and the total project cost will be \$3,113,530. This will be funded as follows:

EPA Grant on Conventional System	\$ 763,349
EPA Grant for Alternative System	1,442,475
WDA Grant	750,845
WDA Loan (7%)	150,281
Tap Fees	<u>6,580</u>
	\$ 3,113,530

The District has received commitments from the various funding agencies for this project. The loan from the Water Development Authority, in the amount of \$150,281, represents the District's local share of the total project costs. (Tr., Vol. II, pp. 20-26; Applicant's Exhibit Nos. 2, 3, and 4).

The witness also explained that the District originally proposed interim financing be obtained through the issuance of grant anticipation notes. However, the latest information available to the District revealed that due to recent changes in the market and the change in certain regulations, it is no longer feasible to use these notes. It is the conclusion of all concerned that interim financing can now best be handled through use of the line of credit obtained from local banking institutions. The District originally budgeted \$6,000 for interim financing but with the change in plans, it is estimated that interim financing costs

of approximately \$35,000 are to be expected. This leaves a shortfall of approximately \$29,000 and Mr. Cerrone explained that much of this shortfall can be made up through the relocation of the vacuum station site onto State property, and thus eliminating the purchase for condemnation of that property, as well as through built-in contingency funding. (Tr., Vol. II, pp. 36, 37).

In response to concern expressed by Staff, Mr. Cerrone testified briefly concerning 14 customers who the District proposes to serve. He explained that approximately 10 years ago, a real estate developer developed property outside the City's boundaries and extended sewer lines from these newly built homes to the City's existing system. The City agreed to accept their flow for treatment and bill those customers using the City's then existing tariff. The District still provides water service to these 14 customers. The District's project proposes to serve these customers as well as the other residents of this portion of Valley View, who are not served by any public sewer system. The City of Wheeling no longer wishes to maintain these lines and would like to transfer these customers to the District, although the City of Wheeling will ultimately treat their sewage. This would allow the District to maintain these existing lines and bill these customers through its tariff, which is somewhat higher than the City's present rates. Mr. Cerrone indicated he believes these customers would object to any increase in rates as a general proposition. However, to not incorporate these existing lines into the proposed project, would require the District to redesign a portion of the system, reroute certain lines, install metering equipment and make service to these customers in the Valley View area less feasible. (Tr., Vol. II, pp. 30-34, 62-64).

Testifying briefly in this proceeding was Robert Gebhardt, who has been the Manager of the Ohio County Public Service District for over four years. Mr. Gebhardt confirmed that the Phase IIA project covered by this application was at one time part of a larger Phase II project, which was divided into Phase IIA and IIB. The District originally proceeded with public notice for the entire Phase II project pursuant to Code §16-13A-25. Less than 50% of the registered voters indicated their opposition to the overall project. Once these projects were split, republication and further notice became necessary and this was accomplished by the District. During the second notice period, substantially less than 50% of the potential customers indicated their opposition to the revised project. (Tr., Vol. II, pp. 84-86; Applicant's Exhibit No. 9).

The next supporting witness was Thomas Ebbert who is a technical assistant employed by Cerrone and Vaughan. Mr. Ebbert testified that as part of his duties he made a recent inspection of the service areas to be served by the proposed project. He did this to verify earlier reports of stream discharges and lack of properly functioning septic tanks. Through his own investigation, as well as review of field notes, Mr. Ebbert was able to verify a large number of problem areas. He noted the location of these customers on engineering maps produced and entered into evidence. The witness indicated that he believes there are other problem areas throughout the proposed project service area, but because of the hilly and rugged terrain as well as the lack of authority to go onto private property behind peoples' homes, he was unable to locate all problem areas. (Tr., Vol. II, pp. 87-94; Applicant's Exhibit Nos. 10, 11, and 12).

The Applicant's next witness was Richard Naret, who is a registered professional engineer and is employed by Cerrone and Vaughan. Mr. Naret's testimony was primarily limited to explaining certain data requests made by the Commission Staff. Mr. Naret confirmed that the operating and maintenance expenses which were originally budgeted for Phase I of the District's project (Cedar Rocks) were 5% to 10% lower than the expenses actually encountered. These increased expenses were mainly limited to labor and electrical power expenses. The District's assistant operator, Ed Clifford, was on the Cedar Rocks project site eight hours per day rather than the four hours per day budgeted. Additional time was necessary to learn the intricacies of the alternative technologies used in these projects and since the system has gone on line, his presence has been required, on average, two hours per day. His presence on the proposed site will be reduced due to the experience gained in the Cedar Rocks project. Mr. Naret also explained that the electric bills for the Cedar Rocks project were estimated to be \$180 per month but in fact are averaging approximately \$218 per month. This added expense is a result of unauthorized discharge of surface or storm water connections into the system. This necessitates additional operating time on the system's vacuum pumps, but this will be reduced as the unauthorized connections are identified and eliminated. In the proposed project, the District will utilize cycle counters in the vacuum valve pits which will facilitate the identification of unauthorized water entry into the system and prevent that condition from becoming a problem. (Tr., Vol. II, pp. 94-99).

Mr. Naret also confirmed that of the approximately 330 customers to be served by this system, a total of approximately 115 will not be receiving water from the Ohio County Public Service District. Fifty-three

(53) of these customers receive water from the City of Wheeling and approximately 60 customers use well water. Of the remaining customers, an average usage of approximately 5,300 gallons per month, which was based upon actual bills of other customers, was projected for these remaining customers. This level of usage was used in the makeup of the District's bill analysis. (Tr., Vol. II, pp. 99-103).

The first witness called on behalf of the Commission Staff was David Hippchen, Engineering Division. Mr. Hippchen testified that he has reviewed the District's application, proposed operating and maintenance expenses and has developed several recommendations for the District. As a result of his investigation and review of the evidence produced at hearing, Mr. Hippchen stated that he believes that there is a need for the District's Phase IIA project and that the project designs submitted by the District's engineers will provide the District's customers with proper sanitary sewer service. He described these designs as standard or typical plans and that this is the type of system he would expect to see designed for this service area. (Tr., Vol. II, pp. 105-107).

Several of Mr. Hippchen's recommendations are embodied in Staff Exhibit No. 1, "Comments on O&M Expenses." The witness explained that he compared the Phase II estimates for O&M expenses as presented in the Rule 42 exhibit with the existing O&M expenses as reported in the District's financial report, which was filed for the year ending August 31, 1985. Mr. Hippchen found six items worth noting. The District's Cedar Rocks system currently experiences an annual labor expense of \$11,329, while the District has budgeted \$13,923 for this project. The Engineering Division believes the operating requirements for the Phase II project are similar to Phase I and therefore the actual labor expenses should be adequate for

the proposed project. The second item involves transportation expenses. Staff believes that the existing transportation costs experienced by Phase I in the amount of \$1,109 should also be adequate for the proposed project, rather than the figure of \$3,640. (Tr., Vol. II, pp. 107-108; Staff Exhibit No. 1).

The next item outlined by Mr. Hippchen involved treatment expenses. Mr. Hippchen recommends that the 14 customers presently served by the City of Wheeling, but residing within the District's boundaries, continue to be served by the City and that these 14 customers be deleted from this project. He calculates that this should reduce the treatment cost expenses billed by the City of Wheeling, in the amount of \$844. The overall treatment cost should be \$11,200 rather than the existing \$13,883 figure. Telemetering expenses budgeted at \$1,800 should be eliminated as the District proposes to use a radio system of transmitting alarms to the main office. Maintenance expenses for this system can also be reduced from \$5,457 to \$3,500 because no maintenance on a telemetering system will be required. Thus, Mr. Hippchen testified that by utilizing his suggestions on O&M expenses, the District could reduce its expenses from \$60,332 to \$53,091. (Tr., Vol. II, pp. 108-111; Staff Exhibit No. 1).

The Engineering Division also entered certain comments on the District's proposed reserve accounts. Mr. Hippchen stated that he recommends the renewal and replacement reserve for the grinder pump station and sewage lift station be transferred to the renewal and replacement fund required by the bond resolution. When this amount is adjusted for the loss of revenue from the 14 customers previously mentioned, funding of this account should be reduced from \$2,184 to \$2,067. He also recommends eliminating any renewal and replacement funding for radio equipment at

this time. The reserve account for future service connections is budgeted at \$9,600, which he considers to be adequate. He points out that due to rounding errors, the pressure service connection cost was calculated to be \$1,800 higher to allow two connections per year instead of the three budgeted for a two-year period. In addition, the District has consistently used population growth projections which have been somewhat optimistic. Therefore, he considers the budgeted amount to be adequate for the District's use. (Tr., Vol. II, pp. 111-115; Staff Exhibit No. 2).

Mr. Hippchen further testified that he has reviewed the treatment agreement between the District and the Town of Triadelphia. The treatment cost which is budgeted at \$11,200, he finds to be reasonable under the circumstances. Mr. Hippchen has also reviewed the bid tabulations and other figures contained in the District's application and finds them to be reasonable. Staff also recommends that the District begin work toward a consolidated cost of service approach although it realizes that at present, the District's separate projects require different rates. The witness also stated that removal of the 14 Wheeling customers from the District's project would not render the Valley View line unfeasible. Without these customers, the District's project cost for this line is \$6,500 per customer and the total estimated construction cost of this line is \$130,000. For the entire Phase IIA system, the total construction cost averages out to approximately \$7,637 per customer, thus, the Valley View line is still well within the project's overall parameters. (Tr., Vol. II, pp. 115-119; Staff Exhibit No. 2).

The Engineering Division has also made six engineering recommendations, as the same are contained in Staff Exhibit No. 3. The first is to remove the aforementioned 14 customers from the project. The second is to

require the District to verify its bill analysis to tie in projected consumption with system wide water consumption stated in its most recent annual report. The third recommendation is to modify the treatment and transportation agreements to allow the District to pay for the transportation and treatment charges based on water meter readings plus an allowance for unmetered customers. This aggregate water meter reading should then be incorporated into the four-step formula currently used. The fourth recommendation is that the District should work towards a consolidated cost of service approach. The next recommendation is for the District to adopt the level of reserve account funding proposed in Staff Exhibit No. 2. The last recommendation is that the Commission withhold final recommendations pending verification of the bill analysis and submission of a revised cash flow analysis as a post-hearing requirement. (Tr., Vol. II, pp. 118-119; Staff Exhibit No. 3).

Staff's last witness in this proceeding was Diane Davis of the Finance and Special Studies Division. Ms. Davis sponsored Staff Exhibit No. 4, which was a memorandum prepared by Greg Curry, another member of the Finance and Special Studies Division. Staff's investigation of the District's bill analysis has revealed that the District has taken each meter reading and rounded it up to the next 1,000 gallon increment. This is an improper manner in which to perform a bill analysis, because it does not allow for other customers' bills to be rounded downward to offset the upward influence. Staff has taken the average residential water customer's usage, as reported by the District, and has calculated that the District's bill analysis has overstated the revenue by approximately \$5,800. (Tr., Vol. II, pp. 130-136; Staff Exhibit No. 4).

Ms. Davis further testified that Staff takes issue with the District's proposed customer charge of \$9.00. She indicated that the District has taken into account certain expenses which are not properly categorized as customer charges, when setting this proposed charge. She also pointed out that the 14 customers previously testified to, which are served by the City of Wheeling, have not received adequate notice of the proposed transference of their accounts to the District. Using an estimated usage of 5,000 gallons, these customers will be paying \$6.25 for sewage treatment based upon the City of Wheeling's current rates. Under the District's proposed rates they will pay \$21.50. One of these customers is a small trailer court, which would be paying the City approximately \$36.00 and under the District's proposal it would be charged \$84.00 per month. In both cases this is in excess of a 100% increase. Thus, Staff again recommends these customers be deleted from the District's project. (Tr., Vol. II, pp. 135-144, 147, 148, 155).

Ms. Davis indicated on the record that upon receipt of revised bill analysis, Mr. Curry would enter this Division's final rate recommendations. These recommendations would not include rates for the above-mentioned 14 customers. These proposed rates would also incorporate a lower customer charge as well as a rate for unmetered customers, based upon an average usage of 4,400 gallons per month. (Tr., Vol. II, pp. 133, 136-140, 142, 152, 153).

By memorandum dated January 21, 1986, Utilities Analyst, Gregory O. Curry, of the Commission's Finance and Special Studies Division, entered that Division's final recommendations and proposed rates in this proceeding. In addition to recommending that a certificate be issued to the District, Mr. Curry recommends the District keep its books and records in

a manner as to allow the District to best determine the cost of service for each of the District's separate systems. When elements of the cost of service cannot be directly assigned, standard allocation factors recommended in this industry, should be adopted. Mr. Curry also recommends his proposed rates be adopted and that republication be required. The Hearing Examiner has already ruled upon the republication issue. Staff proposed rates will be adopted and approved for use by the District and will appear in Appendix A, attached hereto. The revised cash flow analysis will appear in Appendix B, attached hereto. Staff's proposed rates call for a customer charge of \$4.00 per month plus a usage charge of \$4.24 per 1,000 gallons. Customers with non-metered water supply will be charged \$21.38 per month. (Post-hearing Exhibit, Gregory O. Curry, January 21, 1986).

#### CONCLUSIONS OF LAW

1. The public convenience and necessity require that a certificate of convenience and necessity be issued unto the Applicant, Ohio County Public Service District, to construct, maintain, and operate a sanitary sewer system along the Wheeling Creek watershed including parts of Springdale, Stone Church Road, Roneys Point, Dixons Run, Valley View Addition and Peters Run Road, all commonly referred to as Phase IIA, Ohio County, as the same is more fully described in the plans and specifications on file with this Commission.
2. The accounting exhibits submitted and testimony taken at hearing, indicate that this project is economically and financially feasible.
3. The Applicant's permanent and interim financing arrangements are reasonable and should be approved.

4. The rates, charges and rules and regulations, as hereinafter approved and contained in Appendix A, attached hereto, are just and reasonable and should provide revenue sufficient, but not more than sufficient to allow the Applicant to pay its reasonable and necessary operating expenses and taxes, provide adequate coverage for unforeseen expenses, and provide adequate service to its customers.

5. The Applicant, Ohio County Public Service District, has complied with the publication requirements of West Virginia Code Chapter 16, Article 13A, Section 25 and has provided its potential customers with proper notice.

6. The Applicant, Ohio County Public Service District, should adopt Staff's recommendations set forth in Staff Exhibit No. 2, concerning the realignment of its reserve accounts.

7. The approximately 14 customers in the Valley View Addition area now served by the City of Wheeling should not be transferred to the District by this order, the District should work with the City of Wheeling, to provide proper notice to these customers and seek Commission approval before transferring these lines and responsibility for these customers to the District.

8. The Applicant should begin work on a consolidated cost of service accounting system for its separate systems, by assigning costs ~~directly to each system when possible and by use of generally recognized~~ allocation factors when direct assignment is not possible.

9. The Applicant should diligently work to seek amendments to its transportation and treatment agreements to allow the District to pay for transportation and treatment charges based on water meter readings, plus an allowance for unmetered customers, with the aggregate water meter

readings intended to be incorporated in the same four-step formula currently used.

ORDER

IT IS, THEREFORE, ORDERED that:

1. The Applicant, Ohio County Public Service District, a public utility, be, and the same hereby is, granted a certificate of convenience and necessity to construct and operate a sanitary sewer system along the Wheeling Creek watershed including parts of Springdale, Stone Church Road, Roneys Point, Dixons Run, Valley View Addition and Peters Run Road, all commonly referred to as Phase IIA, Ohio County, as the same is more fully described and detailed in the plans and specifications on file with this Commission.
2. The financing arrangements of the District, including interim and permanent financing, are approved.
3. The Applicant, Ohio County Public Service District, is hereby authorized to place into effect the rates, charges, rules and regulations contained in Appendix A, attached hereto, for sewer service provided in the service area covered by this application, on or after the date said project is completed.
4. The Applicant shall file with this Commission a tariff within sixty (60) days of the date of this order setting forth the rules and regulations, rates and charges and other tariff provisions approved herein.
5. The Applicant, Ohio County Public Service District, shall adopt Staff's recommendations set forth in Staff Exhibit No. 2, concerning realignment of its reserve accounts.

6. The approximately fourteen (14) customers located in the Valley View Addition area now provided sanitary sewer service by the City of Wheeling, are not to be considered transferred to the District by this order. Rather, the District should work with the City of Wheeling to provide proper notice to these customers and seek Commission approval before transferring the lines serving those customers and the responsibility for serving these customers, to the District.

7. The District shall begin work on a consolidated cost of service accounting system for its separate systems, by assigning costs directly to each system when possible and by use of generally recognized allocation factors when direct assignment is not possible.

8. The Applicant, Ohio County Public Service District, shall work diligently to amend its transportation and treatment agreements to allow the District to pay for the transportation and treatment charges based on water meter readings, plus an allowance for unmetered customers. The aggregate water meter readings should be incorporated into the same four-step formula currently used.

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 a Hearing Examiner'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 Hearing Examiner's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

  
Mark T. Aliff  
Hearing Examiner

MTA:mal

APPENDIX A

Ohio County Public Service District  
Case No. 85-472-S-CN  
Rates

Availability of Service:

Available for general domestic and commercial sanitary sewer service.

Rates

Customers with Metered Water Supply:

Customer charge of \$4.00 per month plus \$4.24 per 1,000 gallons

Customers with Non-metered Water Supply:

The monthly charge for these customers will be \$21.38 per month (equivalent to 100 gallons-usage).

Delayed Payment Penalty

Any account not paid in full within twenty (20) days of date of bill shall have ten percent (10%) added to the amount due. This delayed payment penalty is not interest and is only to be collected once for each bill where it is appropriate.

Connection Fee

For users applying for service before construction is completed adjacent to Applicant's premises - \$25.00.

For users applying for service after construction is completed adjacent to Applicant's premises - \$200.00.

APPENDIX B

Ohio County Public Service District  
Case No. 85-472-S-CN  
Cash Flow Analysis

	<u>Amount</u>
	\$
<u>Available Cash</u>	
Operating Revenues	84,900
<u>Cash Requirements</u>	
Operation and Maintenance Expense	53,335
Taxes Other Than Federal Income Taxes	1,307
Total	<u>54,642</u>
Cash Available for Debt Service (A)	30,258
<u>Debt Service Requirements</u>	
Principal	271
Interest	11,074
Total Debt Service (B)	<u>11,345</u>
Reserve Account per Bond and Notes Resolution	1,135
Renewal and Replacement Fund per Bond and Notes Resolution	2,123
Future Service Connections	9,400
Special Renewal and Replacement Fund for Vacuum Valves, Grinder Pumps, and Vacuum Pumps	<u>5,040</u>
Surplus	<u>1,215</u>
Coverage (A) ÷ (B)	<u>267%</u>

LEGAL DIVISION

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA



J. Steven Hunter,  
General Counsel

201 Brooks Street, P. O. Box 812  
Charleston, West Virginia 25323

(304) 340-0317

Writer's Direct Call: 340-

May 16, 1986

Mr. James C. Boyd, Chairman  
Ohio County Public Service District  
411 National Road  
Triadelphia, WV 26059

RE: Case No. 85-472-S-CN  
OHIO COUNTY PSD

Dear Mr. Boyd:

Please be advised that the Staff of the Public Service Commission will not be appealing the Commission's Final Order in the above-styled case. No other parties were given intervention status.

If I can be of any additional assistance, please call.

Very truly yours,

*Susan D. Koval*

SUSAN D. KOVAL  
Staff Attorney

SDK/iw



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

CROSS-RECEIPT FOR BOND AND BOND PROCEEDS

The undersigned, DANIEL B. YONKOSKY, Secretary-Treasurer of West Virginia Water Development Authority, for and on behalf of West Virginia Water Development Authority (the "Authority") and JAMES C. BOYD, JR., Chairman of the Public Service Board of Ohio County Public Service District (the "Governmental Agency"), hereby certify as follows:

1. On the 16th day of May, 1986, the Authority received the entire original issue of \$150,281 in aggregate principal amount of Sewer Revenue Bonds, Series 1986 A and Series 1986 B (collectively, the Governmental Agency Bonds"), issued as a single Bond of each Series, numbered AR-1 and BR-1, respectively, and both dated May 16, 1986; the Series A Bond being in the principal amount of \$100,320 and the Series B Bond being in the principal amount of \$49,961.

2. At the time of such receipt of the Governmental Agency Bonds upon original issuance, all of the Governmental Agency Bonds had been executed by James C. Boyd, Jr., as Chairman of the Public Service Board of the Governmental Agency, by his manual signature, and by Daniel W. Dickinson, as Secretary of the Public Service Board of the Governmental Agency, by his manual signature, and the official seal of the Governmental Agency had been imprinted upon the Governmental Agency Bonds.

3. The Governmental Agency has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Governmental Agency Bonds, of the proceeds of the Series A Bonds in the amount of \$100,320 (100% of par) there being no interest accrued thereon. Proceeds of the Series B Bonds in the amount of \$49,961 (100% of par), are expected to be received within 30 days of the date hereof.

IN WITNESS WHEREOF, <sup>DANIEL B. YONKOSKY</sup> ~~EDGAR N. HENRY~~ duly signed and delivered this receipt on behalf of WEST VIRGINIA WATER DEVELOPMENT AUTHORITY and OHIO COUNTY PUBLIC SERVICE DISTRICT has caused this receipt to be executed by its Chairman, as of this 16th day of May, 1986.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

By *Daniel B. Yonkosky*  
Its Director *Sec. Treas.*

OHIO COUNTY PUBLIC SERVICE DISTRICT

By *James C. Boyle Jr.*  
Chairman

05/13/86  
OHPSD1-G



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

Kanawha Valley Bank, N.A.  
Charleston,  
West Virginia

Ladies and Gentlemen:

There are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of Ohio County Public Service District Sewer Revenue Bonds, Series 1986 A, dated May 16, 1986, in the principal amount of \$100,320, and Bond No. BR-1, constituting the entire original issue of Ohio County Public Service District Sewer Revenue Bonds, Series 1986 B, dated May 16, 1986, in the principal amount of \$49,961 (collectively, the "Governmental Agency Bonds") executed by the Chairman and Secretary of the Public Service Board of Ohio County Public Service District (the "Governmental Agency") and bearing the official seal of the Governmental Agency, authorized to be issued under and pursuant to a Bond Resolution and Supplemental Bond Resolution duly adopted by the Governmental Agency (collectively, the "Local Act");

(2) A copy of the Local Act authorizing the above Governmental Agency Bond issue, duly certified by the Secretary of the Governmental Agency;

(3) An executed counterpart of the Loan Agreement and the Supplemental Loan Agreement, both dated April 22, 1986, by and between the West Virginia Water Development Authority (the "Authority") and the Governmental Agency (collectively, the "Loan Agreement");

(4) A signed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and Governmental Agency Bonds.

You are hereby requested and authorized to deliver the Governmental Agency Bonds to the Authority upon payment to the

\$100,320 J.B.P.  
Series  
1986 A

account of the Governmental Agency of the sum of \$150,281, representing the agreed purchase price of the ~~Governmental Agency~~ Bonds, there being no accrued interest thereon. Prior to such delivery of the Governmental Agency Bonds, you will please cause the Governmental Agency Bonds to be authenticated by an authorized officer, as Governmental Agency Bonds Registrar, in accordance with the forms of Certificate of Authentication and Registration thereon.

Dated this 16th day of May, 1986.

OHIO COUNTY PUBLIC SERVICE DISTRICT

By James C. Boye Jr.  
Chairman

05/13/86  
OHPSD1-H



(SPECIMEN BOND - SERIES 1986 A)

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
OHIO COUNTY PUBLIC SERVICE DISTRICT  
SEWER REVENUE BOND, SERIES 1986 A

No. AR- \_\_\_\_\_

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia in Ohio County of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to West Virginia Water Development Authority or registered assigns (the "Payee") the sum of \_\_\_\_\_ (\$ \_\_\_\_\_), in installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference with interest on each installment at the rate per annum set forth on said Exhibit A.

The interest rate on each installment shall run from the original date of delivery of this Bond to the Payee and payment therefor, and until payment of such installment, and such interest shall be payable on April 1 and October 1 in each year, beginning October 1, 1986. 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 mailed to the registered owner hereof at the address as it appears on the books of Kanawha Valley Bank, N.A., Charleston, West Virginia, as registrar (the "Registrar") on the 15<sup>th</sup> day of the month preceding an interest payment date, or by such other method as shall be mutually agreeable so long as the Payee is the Registered Owner hereof.

This Bond may be redeemed prior to its stated date of maturity in whole or in part at any time, but only with the express written consent of, and upon the terms and conditions prescribed by, the West Virginia Water Development Authority.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage collection and transportation facilities of the Issuer (the "Project") and (ii) to

pay certain costs of issuance hereof and related costs. 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 of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution and Supplemental Resolution, both duly adopted by the Issuer on the 15th day of May, 1986 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is issued contemporaneously with the Sewer Revenue Bonds, Series 1986 B, of the Issuer (the "Series 1986 B Bonds") issued in the aggregate principal amount of \$ \_\_\_\_\_, which Series 1986 B Bonds are junior and subordinate with respect to liens and sources of and security for payment to the Bonds of this series (the "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, moneys in the Reserve Account created under the Bond Legislation for the Bonds (the "Series 1986 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 which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same or the interest hereon except from said special fund provided from the Net Revenues, the moneys in the Series 1986 A Bonds Reserve Account and unexpended Bond proceeds. 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 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 amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on the Bonds and all other obligations secured by or payable from such revenues prior to or on a parity with the Bonds, provided however, that so long as there exists in the Series 1986 A Bonds Reserve Account and the reserve account established for the Series 1986 B Bonds or any other obligations outstanding prior to or on a parity with the Bonds or Series 1986 B Bonds, sufficient moneys to pay the maximum amount of principal and interest which will become due on the Bonds, the Series 1986 B Bonds, and any other such prior or parity

obligations in any succeeding fiscal year, 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.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of the Registrar by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Payee 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, shall be applied solely to the payment of the Costs of the Project described in the Bond Legislation or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, 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 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 hereon and attested by its Secretary,  
and has caused this Bond to be dated May 16, 1986.

[SEAL]

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1986 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above.

Date: \_\_\_\_\_

KANAWHA VALLEY BANK, N.A.,  
as Registrar

By \_\_\_\_\_  
Its Authorized Officer

EXHIBIT A

SCHEDULE OF ANNUAL DEBT SERVICE

TABLE II

OHIO COUNTY PUBLIC SERVICE DISTRICT  
Analysis of 7.00% Borrowing Cost for Local Issuer

Period Ending 10/1	-----1985 Series A Bonds-----			
	Coupon	Principal	Interest	Debt Service
1986	9.75%	0.00	3,667.95	3,667.95
1987	9.75%	266.00	9,781.20	10,047.20
1988	9.75%	293.00	9,755.27	10,048.27
1989	9.75%	321.00	9,726.70	10,047.70
1990	9.75%	353.00	9,695.40	10,048.40
1991	9.75%	387.00	9,660.98	10,047.98
1992	9.75%	425.00	9,623.25	10,048.25
1993	9.75%	466.00	9,581.81	10,047.81
1994	9.75%	512.00	9,536.38	10,048.38
1995	9.75%	562.00	9,486.46	10,048.46
1996	9.75%	617.00	9,431.66	10,048.66
1997	9.75%	677.00	9,371.51	10,048.51
1998	9.75%	743.00	9,305.50	10,048.50
1999	9.75%	815.00	9,233.06	10,048.06
2000	9.75%	894.00	9,153.59	10,047.59
2001	9.75%	982.00	9,066.43	10,048.43
2002	9.75%	1,077.00	8,970.68	10,047.68
2003	9.75%	1,182.00	8,865.68	10,047.68
2004	9.75%	1,298.00	8,750.43	10,048.43
2005	9.75%	1,424.00	8,623.88	10,047.88
2006	9.75%	1,563.00	8,485.04	10,048.04
2007	9.75%	1,716.00	8,332.64	10,048.64
2008	9.75%	1,883.00	8,165.33	10,048.33
2009	9.75%	2,066.00	7,981.74	10,047.74
2010	9.75%	2,263.00	7,780.31	10,043.31
2011	9.75%	2,489.00	7,559.18	10,048.18
2012	9.75%	2,732.00	7,316.50	10,048.50
2013	9.75%	2,998.00	7,050.13	10,048.13
2014	9.75%	3,290.00	6,757.82	10,047.82
2015	9.75%	3,611.00	6,437.05	10,048.05
2016	9.75%	3,963.00	6,084.98	10,047.98
2017	9.75%	4,350.00	5,693.58	10,043.58
2018	9.75%	4,774.00	5,274.46	10,048.46
2019	9.75%	5,239.00	4,808.99	10,047.99
2020	9.75%	5,750.00	4,298.19	10,048.19
2021	9.75%	6,310.00	3,737.57	10,047.57
2022	9.75%	6,926.00	3,122.34	10,048.34
2023	9.75%	7,601.00	2,447.06	10,048.06
2024	9.75%	8,342.00	1,705.96	10,047.96
2025	9.75%	9,155.00	892.61	10,047.61
		100,320.00	295,219.30	395,534.30

ASSIGNMENT

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

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

Dated: \_\_\_\_\_, \_\_\_\_\_.

In the presence of:

\_\_\_\_\_  
05/20/86  
OHPSD4-A



-----

(SPECIMEN BOND - SERIES B)

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
OHIO COUNTY PUBLIC SERVICE DISTRICT  
SEWER REVENUE BOND, SERIES 1986 B

No. BR- \_\_\_\_\_

\$ \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS: That OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation of the State of West Virginia in Ohio County of said State, (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to West Virginia Water Development Authority or registered assigns (the "Payee") the sum of \_\_\_\_\_ (\$ \_\_\_\_\_), in annual installments on October 1 of each year as set forth on the "Schedule of Annual Debt Service" attached as Exhibit A hereto and incorporated herein by reference; without interest.

Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part of any time, but only with the express written consent of, and upon the terms and conditions prescribed by, the West Virginia Water Development Authority.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of certain new sewerage collection and transportation facilities of the Issuer (the "Project") and (ii) to pay certain costs of issuance hereof and related costs. 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 of the West Virginia Code of 1931, as amended (the "Act"), and a Resolution and Supplemental Resolution, both duly adopted by the Issuer on the 15th day of May, 1986 (collectively called the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and

ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System after there has first been paid from said Net Revenues all payments then due and owing on the Series 1986 A Bonds herein described, moneys in the Reserve Account created under the Bond Legislation for the Bonds of this Series (the "Series 1986 B Bonds Reserve Account"), and unexpended proceeds of the Bonds of this Series (the "Bonds"). Such Net Revenues shall be sufficient to pay the principal of and interest on all bonds which may be issued pursuant to the Act and which shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1986 B Bonds Reserve Account and unexpended Bond proceeds. 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 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 amount required to pay the maximum amount due in any ensuing fiscal year of principal of and interest on the Bonds, the 1986 Series A Bonds, and all other obligations secured by or payable from such revenues prior to or on a parity with the 1986 Series A Bonds and on a parity with the Bonds, provided however, that so long as there exists in the Series 1986 B Bonds Reserve Account and the reserve account established for the Series A Bonds, sufficient moneys to pay the maximum amount of principal and interest which will become due on the Bonds and the 1986 Series B Bonds in any succeeding fiscal year, and any reserve account for any such prior or parity obligations is funded at least at 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.

This Bond is transferable, as provided in the Bond Legislation, only upon the books of Kanawha Valley Bank, N.A., Charleston, West Virginia, as registrar (the "Registrar") by the Payee, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the

Payee or its attorney duly authorized in writing.

Subject to the registration requirements as 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, shall be applied solely to the payment of the Costs of the Project described in the Bond Legislation or to the appurtenant sinking fund, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the holder of the Bonds, which lien is subordinate to the lien in favor of the holders of the Series 1986 A Bonds.

THIS BOND IS JUNIOR AND SUBORDINATE WITH RESPECT TO LIENS, PLEDGES AND SOURCES OF AND SECURITY FOR PAYMENT TO THE OUTSTANDING SEWER REVENUE BONDS, SERIES 1986 A, OF THE ISSUER, ISSUED CONCURRENTLY HERewith AND DESCRIBED IN THE BOND LEGISLATION (THE "SERIES 1986 A BONDS").

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, 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 revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

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

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT  
has caused this Bond to be signed by its Chairman and its corporate  
seal to be hereunto affixed hereon and attested by its Secretary,  
and has caused this Bond to be dated May 16, 1986.

[SEAL]

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1986 B Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above.

Date: \_\_\_\_\_

KANAWHA VALLEY BANK, N.A.,  
as Registrar

By \_\_\_\_\_  
Its Authorized Officer

EXHIBIT A  
SCHEDULE OF ANNUAL DEBT SERVICE

TABLE III

OHIO COUNTY PUBLIC SERVICE DISTRICT  
Analysis of 7.00% Borrowing Cost for Local Issuer

Period Ending 10/1	Zero Coupon Bonds
-----	-----
1986	0.00
1987	1,281.10
1988	1,281.05
1989	1,281.05
1990	1,281.05
1991	1,281.05
1992	1,281.05
1993	1,281.05
1994	1,281.05
1995	1,281.05
1996	1,281.05
1997	1,281.05
1998	1,281.05
1999	1,281.05
2000	1,281.05
2001	1,281.05
2002	1,281.05
2003	1,281.05
2004	1,281.05
2005	1,281.05
2006	1,281.05
2007	1,281.05
2008	1,281.05
2009	1,281.05
2010	1,281.05
2011	1,281.05
2012	1,281.05
2013	1,281.05
2014	1,281.05
2015	1,281.05
2016	1,281.05
2017	1,281.05
2018	1,281.05
2019	1,281.05
2020	1,281.05
2021	1,281.05
2022	1,281.05
2023	1,281.05
2024	1,281.05
2025	1,281.05
-----	-----
	49,961.00

ASSIGNMENT

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

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

Dated: \_\_\_\_\_, \_\_\_\_\_.

In the presence of: \_\_\_\_\_

\_\_\_\_\_  
05/20/86  
OHPSD4-B



# STEPTOE & JOHNSON

ATTORNEYS AT LAW

SIXTH FLOOR

UNION NATIONAL CENTER EAST

P. O. BOX 2190

CLARKSBURG, W. VA. 26302-2190

(304) 624-8000

TELECOPIER (304) 622-2676

CHARLESTON OFFICE

715 CHARLESTON NATIONAL PLAZA

P. O. BOX 1588

CHARLESTON, W. VA. 25326

(304) 342-2191

May 16, 1986

CHARLESTON

CHARLES W. YEAGER  
CARL F. STUCKY, JR.  
OTIS L. O'CONNOR  
WAYNE A. SINCLAIR  
JAMES R. WATSON  
DANIEL R. SCHUDA  
SPRAGUE W. HAZARD  
HERSCHEL H. ROSE III  
CHRISTOPHER P. BASTIEN  
STEVEN R. MCGOWAN

OF COUNSEL

ROBERT W. LAWSON, JR.  
EDWARD W. EARDLEY  
EUGENE G. EASON  
WILLIS O. SHAY

WRITER'S DIRECT DIAL NUMBER

## Ohio County Public Service District Sewer Revenue Bonds, Series 1986 A

West Virginia Water Development Authority  
1201 Dunbar Avenue  
Dunbar, West Virginia 25064

Gentlemen:

We are bond counsel to Ohio County Public Service District (the "Governmental Agency"), a public service district and a public corporation and political subdivision created and existing under Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Local Statute").

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a loan agreement, dated April 22, 1986 (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated May 16, 1986 (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are in the principal amount of \$100,320, originally issued in the form of one bond, registered as to principal and interest to the Authority, with interest payable April 1 and October 1 of each year, beginning October 1, 1986, at the rate of 9.75% per annum, and with principal installments payable on October 1 in each of the years 1988 through 2025, inclusive, all as set forth in "Schedule X," attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, the Local Statute, for the purpose of paying a portion of the costs of acquisition and construction of new sewage collection and

transportation facilities (the "Project") and paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, under which the Local Bonds are issued, and the Loan Agreement that has been undertaken, including all schedules and exhibits to the Loan Agreement. The Local Bonds have been authorized by a bond resolution and a supplemental resolution (collectively, the "Local Act") duly adopted by the Governmental Agency, which contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement. 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 cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Governmental Agency without the consent of the Authority.
3. The Governmental Agency is a duly organized and presently existing public service district and political subdivision of the State of West Virginia, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Loan Agreement and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.
4. The Governmental Agency has legally and effectively adopted the Local Act and all other necessary resolutions in connection with the issuance and sale of the Governmental Agency Bonds.
5. The Local Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the net revenues of the System referred to in the Local Act and secured by a first lien on and pledge of the net revenues of said System, all in accordance with the terms of the Local Bonds and the Local Act, and the Local Bonds have been duly issued and delivered to the Authority.
6. The Local Bonds are, under the Local Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and interest on the Local Bonds is exempt from personal income taxes imposed

directly thereon by the State of West Virginia. Under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is exempt from federal income taxation.

7. The Order of the Public Service Commission of West Virginia entered April 10, 1986 (Case No. 85-472-S-CN) granting to the Governmental Agency a Certificate of Convenience and Necessity, and approving the Governmental Agency's sewer rates and charges and proposed financing is not subject to appeal to the Supreme Court of Appeals of West Virginia by any customer, protestant or any other person who was not a party to the original application.

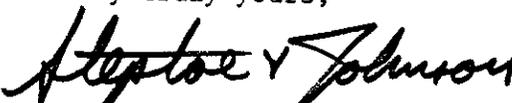
We have reviewed the provisions of H.R. 3838, the "Tax Reform Act of 1985," as adopted by the United States House of Representatives on December 17, 1985, and a joint statement issued by the chairmen and ranking minority members of the Ways and Means Committee of the United States House of Representatives and the Finance Committee of the United States Senate, together with the Secretary of the United States Treasury Department, endorsing the postponement of the effective date of certain provisions of H.R. 3838. It is our opinion that the Local Bonds are of the type entitled to such effective date postponement and that, based upon such joint statement, except as set forth below, none of the provisions of H.R. 3838 which may be applicable to the Local Bonds are in effect as of the date hereof, nor will any of such provisions be retroactively applied, and therefore interest on the Local Bonds would be exempt from federal income taxation under H.R. 3838 as adopted by the United States House of Representatives with effective dates modified in accordance with the joint statement referred to above.

Please be advised that under H.R. 3838, the interest on the Local Bonds may, with respect to property and casualty insurance companies, be subject to an alternative minimum tax during taxable years beginning after 1987.

Please be further advised that the rights of the holders of the Local Bonds and the enforceability of the Local Bonds, the Local Act and the Loan Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights (to the extent constitutionally applicable) and that the enforcement thereof may also be subject to the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

  
STEPTOE & JOHNSON



# STEPTOE & JOHNSON

ATTORNEYS AT LAW

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May 16, 1986

CHARLESTON

CHARLES W. YEAGER

CARL F. STUCKY, JR.

OTIS L. O'CONNOR

WAYNE A. SINCLAIR

JAMES R. WATSON

DANIEL R. SCHUDA

SPRAGUE W. HAZARD

HERSCHEL H. ROSE III

CHRISTOPHER P. BASTIEN

STEVEN P. MCGOWAN

OF COUNSEL

ROBERT W. LAWSON, JR.

EDWARD Y. EARLEY

EUGENE G. EASON

WILLIS O. SHAY

WRITER'S DIRECT DIAL NUMBER

Ohio County Public Service District  
Sewer Revenue Bonds, Series 1986 B

West Virginia Water Development Authority  
1201 Dunbar Avenue  
Dunbar, West Virginia 25064

Gentlemen:

We are bond counsel to Ohio County Public Service District (the "Governmental Agency"), a public service district and a public corporation and political subdivision created and existing under Chapter 16, Article 13A of the Code of West Virginia of 1931, as amended (the "Local Statute").

We have examined a certified copy of proceedings and other papers relating to (i) the authorization of a supplemental loan agreement, dated April 22, 1986 (the "Supplemental Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority") and (ii) the issue of a series of supplemental, subordinate revenue bonds of the Governmental Agency, dated May 16, 1986 (the "Supplemental Bonds"), to be purchased by the Authority in accordance with the provisions of the Supplemental Loan Agreement. The Supplemental Bonds are in the principal amount of \$49,961, issued in the form of one bond registered as to principal to the Authority, without interest thereon, with principal payable in installments on October 1 in each of the years 1988 through 2025, inclusive, all as set forth in "Schedule X," attached to the Supplemental Loan Agreement.

The Supplemental Loan Agreement is supplemental to a loan agreement also dated April 22, 1986, also between the Governmental Agency and the Authority (the "Loan Agreement"). The Supplemental Bonds are junior, subordinate and inferior as to lien and source of and security for payment to the bonds issued pursuant to the Loan Agreement (the "Local Bonds") which Local Bonds are issued simultaneously herewith.

The Supplemental Bonds are issued, together with the Local Bonds, under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, the Local Statute, for the purpose of paying a portion of the costs of acquisition and construction of new sewage collection and transportation facilities (the "Project") and paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of the Local Statute, under which the Supplemental Bonds are issued, and the Supplemental Loan Agreement that has been undertaken, including all schedules and exhibits to the Supplemental Loan Agreement. The Supplemental Bonds have been authorized by a bond resolution and a supplemental resolution (collectively, the "Local Act") duly adopted by the Governmental Agency, which contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Supplemental Loan Agreement. The Supplemental 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 Supplemental 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 Supplemental 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 Supplemental Loan Agreement inures to the benefit of the Authority and cannot be amended so as to affect adversely the rights of the Authority or diminish the obligations of the Governmental Agency without the consent of the Authority.
3. The Governmental Agency is a duly organized and presently existing public service district and political subdivision of the State of West Virginia, with full power and authority to construct and acquire the Project and to operate and maintain the System referred to in the Supplemental Loan Agreement and to issue and sell the Supplemental Bonds, all under the Local Statute and other applicable provisions of law.
4. The Governmental Agency has legally and effectively enacted and adopted the Local Act and all other necessary resolutions in connection with the issuance and sale of the Supplemental Bonds.
5. The Supplemental Bonds are valid and legally enforceable special obligations of the Governmental Agency, payable from the net revenues of the System referred to in the Local Act and secured by a lien on and pledge of the net revenues of said System, junior and subordinate to that created for

the Local Bonds, all in accordance with the terms of the Supplemental Bonds and the Local Act, and have been duly issued and delivered to the Authority.

6. The Governmental Agency has reserved the right to issue additional bonds ranking on a parity with the Supplemental Bonds, as provided in the Local Act.

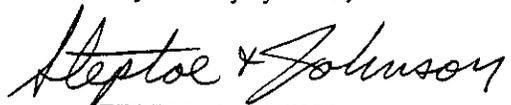
7. The Supplemental Bonds are, under the Local Act, exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

8. The Order of the Public Service Commission of West Virginia entered April 10, 1986 (Case No. 85-472-S-CN) granting to the Governmental Agency a Certificate of Convenience and Necessity, and approving the Governmental Agency's sewer rates and charges and proposed financing is not subject to appeal to the Supreme Court of Appeals of West Virginia by any customer, protestant or any other person who was not a party to the original application.

No opinion is given herein as to the enforceability of remedies with respect to the Supplemental Bonds under any applicable bankruptcy, insolvency, moratorium or other laws affecting creditors' rights.

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

Very truly yours,

  
STEPTOE & JOHNSON

C

C

STEPHENS & JOHNSON

ATTORNEYS AT LAW

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May 16, 1986

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WRITER'S DIRECT DIAL NUMBER

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JAMES M. WILSON  
PATRICK D. DEEM  
ROBERT M. STEPTOE, JR.  
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JAMES D. GRAY  
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WILLIAM T. BELCHER  
MICHAEL L. BRAY  
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IRENE M. KEELEY  
EVANS L. KING, JR.  
WALTER L. WILLIAMS  
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HARRY P. WADDELL  
CLEMENT D. CARTER III  
W. HENRY LAWRENCE IV  
WILLIAM E. GALEOTA  
GORDON H. COPLAND  
RANDALL C. LIGHT  
RICHARD M. YURKO, JR.  
GARY W. NICKERSON  
W. RANDOLPH FIFE

Ohio County Public Service District  
Sewer Revenue Bonds, Series 1986 A

West Virginia Water Development Authority  
1201 Dunbar Avenue  
Dunbar, West Virginia 25064

Gentlemen:

We have examined a transcript of proceedings relating to the issuance of \$100,320 aggregate principal amount of Sewer Revenue Bonds, Series 1986 A (the "Governmental Agency Bonds") of Ohio County Public Service District (the "Governmental Agency"), and a Certificate as to Arbitrage executed by the Chairman of the Public Service Board of the Governmental Agency on this date.

We are of the opinion that the facts, estimates and circumstances set forth in the Certificate as to Arbitrage are sufficient to satisfy the requirements of Section 103(c) of the Internal Revenue Code of 1954, as amended, and Treasury Regulations promulgated thereunder, particularly Sections 1.103-3, 1.103-14 and 1.103-15, to support the conclusion that the Governmental Agency Bonds are not "arbitrage bonds" as therein defined. No matters have come to our attention which make unreasonable or incorrect the representations made in said Certificate.

Accordingly, it is our opinion that, under existing statutes, regulations, rulings and court decisions, the Governmental Agency Bonds are not "arbitrage bonds" as so defined.

We have reviewed the provisions of H.R. 3838, the "Tax Reform Act of 1985," as adopted by the United States House of Representatives on December 17, 1985, and a joint statement issued by the chairmen and ranking minority members of the Ways and Means Committee of the United States House of

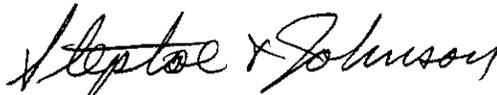
West Virginia Water Development Authority

Page 2

Representatives and the Finance Committee of the United States Senate, together with the Secretary of the United States Treasury Department, endorsing the postponement of the effective date of certain provisions of H.R. 3838. It is our opinion that the Local Bonds are of the type entitled to such effective date postponement and that, based upon such joint statement, except as set forth below, none of the provisions of H.R. 3838 which may be applicable to the Local Bonds are in effect as of the date hereof, nor will any of such provisions be retroactively applied, and therefore interest on the Local Bonds would be exempt from federal income taxation under H.R. 3838 as adopted by the United States House of Representatives with effective dates modified in accordance with the joint statement referred to above.

Please be advised that under H.R. 3838, the interest on the Local Bonds may, with respect to property and casualty insurance companies, be subject to an alternative minimum tax during taxable years beginning after 1987.

Very truly yours,



STEPTOE & JOHNSON

05/13/86

OHPSD1-K



BAILEY, BYRUM & VIEWEG  
ATTORNEYS AT LAW  
WHEELING, WEST VIRGINIA 26003  
CENTRAL UNION BUILDING

GEORGE C. BAILEY  
JAMES A. BYRUM  
GEORGE B. VIEWEG III  
JAMES A. BYRUM, JR.  
JOHN PRESTON BAILEY

AREA CODE 304  
TELEPHONE 232-6675

May 16, 1986

Ohio County Public Service District  
Sewer Revenue Bonds, Series 1986 A and Series 1986 B

West Virginia Water Development Authority  
1201 Dunbar Avenue  
Dunbar, WV 25064

Steptoe & Johnson  
Union National Center East, 6th Floor  
P. O. Box 2190  
Clarksburg, WV 26302-2190

Gentlemen:

We are counsel to Ohio County Public Service District, in Ohio County, West Virginia (the "Governmental Agency"). As such counsel, we have examined copies of the approving opinions of Steptoe & Johnson, as bond counsel, a Loan Agreement and a Supplemental Loan Agreement by and between the West Virginia Water Development Authority (the "Authority") and the Governmental Agency, both dated April 22, 1986, the Local Act (as defined therein) and other documents relating to the above-captioned Bonds of the Governmental Agency. Terms used in said opinions, Local Act and Loan Agreement and Supplemental Loan Agreement and not otherwise defined herein have the same meanings herein.

We are of the opinion that:

1. The Loan Agreement and Supplemental Loan Agreement have been duly authorized, executed and delivered by the Governmental Agency and, assuming due authorization, execution and delivery by the Authority, constitute valid and binding agreements of the Governmental Agency in accordance with their terms.
2. The members of the Public Service Board of the Governmental Agency have been duly and properly appointed, have taken the requisite oaths and are authorized to act on behalf of the Governmental Agency.

West Virginia Water Development  
Authority, et al.

May 16, 1986

Page No. Two

3. The Local Act has been duly adopted by the Governmental Agency and is in full force and effect.

4. The execution and delivery of the Governmental Agency Bonds and the Loan Agreement and Supplemental Loan Agreement and the consummation of the transactions contemplated by the Loan Agreement and the Supplemental Loan Agreement, 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 Governmental Agency a breach of or default under any agreement or other instrument to which the Governmental Agency is a party or any existing law, regulation, court order or consent decree to which the Governmental Agency is subject.

5. The Governmental Agency has received all the permits, licenses, approvals and authorizations necessary for the issuance of the Governmental Agency Bonds, to construct the Project and impose rates and charges, and has taken any other action required for the imposition of such rates and charges, including, without limitation, adoption of a resolution setting such rates and charges and the obtaining of all requisite orders and approvals from the Public Service Commission of West Virginia.

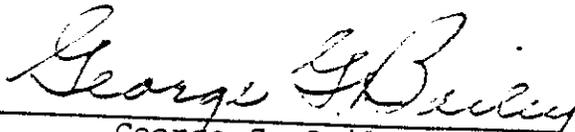
6. To the best of my knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein any unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Loan Agreement or the validity of the Governmental Agency Bonds or the collection or pledge of the Net Revenues.

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

Very truly yours,

BAILEY, BYRUM & VIEWEG

By:

  
George G. Bailey

GGB:klb



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

GENERAL CERTIFICATE OF GOVERNMENTAL AGENCY 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. GRANTS
11. LOAN AGREEMENT
12. RATES
13. SIGNATURES AND DELIVERY
14. GOVERNMENTAL AGENCY BONDS PROCEEDS
15. PUBLICATION AND POSTING OF NOTICE OF BORROWING AND PETITION
16. SPECIMEN GOVERNMENTAL AGENCY BONDS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Ohio County Public Service District in Ohio County, West Virginia (the "Governmental Agency"), and the undersigned ATTORNEY for the Governmental Agency, hereby certify in connection with the \$150,281 aggregate principal amount Ohio County Public Service District Sewer Revenue Bonds, Series 1986 A and Series 1986 B (collectively, the "Governmental Agency Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined shall have the same meaning as in the Bond Resolution of the Governmental Agency adopted May 15, 1986, and a Supplemental Bond Resolution adopted concurrently therewith (collectively, the "Local Act").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Governmental Agency Bonds, receipt of the Grant Receipts, or in any way contesting or affecting the validity of the Governmental Agency Bonds or the Grants or any proceedings of the Governmental Agency

taken with respect to the issuance or sale of the Governmental Agency Bonds, the pledge or application of any moneys or security provided for the payment of the Governmental Agency Bonds or the existence or the powers of the Governmental Agency insofar as they relate to the authorization, sale and issuance of the Governmental Agency Bonds, receipt of the Grant Receipts or such pledge or application of moneys and security or the collection or pledge of the Net Revenues.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable approvals and certificates required by law for construction of the Project, operation of the System and issuance of the Governmental Agency Bonds have been or can be duly and timely obtained and remain in full force and effect, and competitive bids for construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the Official 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 Governmental Agency since the approval and execution and delivery by the Governmental Agency of the Loan Agreement. There are no outstanding debt obligations of the Governmental Agency, or obligations for which full and irrevocable provision for payment has not been made, which are secured by revenues or assets of the System.

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

Order of County Commission creating Public Service District.

Orders of County Commission appointing current members to Public Service Board.

Certified copies of oaths of office of current members of Public Service Board.

Rules of Procedure of Public Service Board.

Affidavit of Publication of Notice of Borrowing and Petition Form.

Bond Resolution.

Supplemental Bond Resolution.

Minutes on 1986 Organizational Meeting and Adoption of Bond Resolution and Supplemental Bond Resolution.

Loan Agreement.

Supplemental Loan Agreement.

EPA Grant Agreement, as amended.

WDA Grant Agreement.

Water Treatment Agreement with City of Wheeling.

Public Service Commission Final Order entered April 10, 1986.

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Governmental Agency is "Ohio County Public Service District" and it is a public service district duly created by The County Commission of Ohio County and presently existing under the laws of, and a political subdivision of, the State of West Virginia. The governing body of the Governmental Agency is its Public Service Board consisting of 3 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.	October 1, 1984	October 31, 1990
Robert R. Luchetti	November 1, 1982	November 1, 1988
Daniel W. Dickinson	January 1, 1981	December 31, 1986

The names of the duly elected, qualified and acting members of the Public Service Board of the Governmental Agency for the calendar year 1986 are as follows:

Chairman	-	James C. Boyd, Jr.
Secretary/Treasurer	-	Daniel W. Dickinson

The duly appointed and acting Attorney for the Governmental Agency is George G. Bailey of Wheeling, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the construction of the Project and operation and maintenance of the System have been acquired or can and will be acquired by purchase, or, if necessary, by condemnation by the Governmental Agency 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 Governmental Agency to pay for the same without jeopardizing the security of or payments on the Governmental Agency Bonds.

8. MEETINGS, ETC.: All actions, resolutions, orders and agreements taken by and entered into by or on behalf of the Governmental Agency in any way connected with the construction, acquisition, operation and financing of the Project or the System were authorized or adopted at regular or special meetings of the Governing Body of the Governmental Agency duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including Chapter 6, Article 9A, of the Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Governing Body was present and acting at all times during all such meetings.

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 Local Act.

10. GRANTS: As of the date hereof, the EPA has committed to the Governmental Agency the approximate amount of \$8,054,190, of which \$2,273,411 is expected to be expended on the Project and the balance of which is expected to be expended on additional sewerage works. Said commitment of EPA is as of this date is still in force and effect. In addition, the Authority has committed to the Governmental Agency a grant in the amount of \$750,845.

11. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Governmental Agency 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; and

(iii) to the best knowledge of the undersigned, no event affecting the Governmental Agency 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 therein not misleading.

12. RATES: The Governmental Agency has received an Order of the Public Service Commission of West Virginia entered April 10, 1986, approving rates and charges for the services of the System, and has adopted a resolution prescribing such rates and charges.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Governmental Agency Bonds of the aforesaid issue, all dated May 16, 1986, by his manual signature, and the undersigned Secretary did officially cause the official seal of the Governmental Agency to be imprinted upon each of said Governmental Agency Bonds and to be attested by his manual signature, and the Registrar did officially authenticate and deliver the Governmental Agency Bonds to a representative of the Authority as the original purchaser of the Governmental Agency Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. GOVERNMENTAL AGENCY BONDS PROCEEDS: On the date hereof the Governmental Agency received from the Authority the agreed purchase price of the Series A Bonds, being \$100,320 (100% of par value), and anticipates receipt of the proceeds of the Series B Bonds, being \$49,961 (100% of par value), within 30 days, there being no interest accrued on either series.

15. PUBLICATION AND POSTING OF NOTICE OF BORROWING AND PETITION: The Governmental Agency has published and posted a notice with respect to the acquisition and construction of the Project and issuance of the Governmental Agency Bonds and has provided a petition form permitting registered voters who may be opposed to such acquisition and construction or borrowing to sign such petition, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended. Less than 50% of the registered voters in the area to be served by the Project have signed such petition.

16. SPECIMEN GOVERNMENTAL AGENCY BONDS: Delivered concurrently herewith are true and accurate specimens of the Governmental Agency Bonds.

WITNESS our signatures and the official seal of OHIO  
COUNTY PUBLIC SERVICE DISTRICT on this 16th day of May, 1986.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

<u>James C. Boyd Jr.</u>	Chairman
<u>Richard W. Williams</u>	Secretary
<u>George G. Bailey</u>	Attorney for Governmental Agency

05/13/86  
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OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

CERTIFICATE AS TO ARBITRAGE

I, JAMES C. BOYD, JR., Chairman of the Public Service Board of Ohio County Public Service District, in Ohio County, West Virginia (the "Governmental Agency"), being one of the officials of the Governmental Agency duly charged with the responsibility for the issuance of \$100,320 aggregate principal amount of Sewer Revenue Bonds, Series 1986 A, of the Governmental Agency dated May 16, 1986 (the "Series 1986 A Bonds"), hereby certify as follows:

1. This certificate is being executed and delivered pursuant to Sections 1.103-13, 1.103-14 and 1.103-15 of the Income Tax Regulations (the "Regulations") promulgated under Section 103(c) of the Internal Revenue Code of 1954, as amended ("Section 103(c)"). I am one of the officers of the Governmental Agency charged with the responsibility of issuing the Governmental Agency 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 Governmental Agency.
2. This certificate may be relied upon as the certificate of the Governmental Agency.
3. The Governmental Agency has not been notified by the Internal Revenue Service of any listing or proposed listing of it as an issuer the certification of which may not be relied upon by holders of obligations of the Governmental Agency or that there is any disqualification of the Governmental Agency by the Internal Revenue Service because a certification made by the Governmental Agency contains a material misrepresentation.
4. This certificate is based upon facts, circumstances, estimates and expectations of the Governmental Agency in existence on May 16, 1986, the date on which the Governmental Agency Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of my knowledge and belief, the expectations of the Governmental Agency set forth herein are reasonable.
5. In the Local Act pursuant to which the Governmental Agency Bonds are issued, the Governmental Agency has covenanted to make no use of the proceeds of the Governmental Agency Bonds which

would cause the Governmental Agency Bonds to be "arbitrage bonds" within the meaning of the Regulations or Section 103(c).

6. The Governmental Agency Bonds were sold on May 16, 1986, to the West Virginia Water Development Authority (the "Authority") for a purchase price of \$100,320 (100% of par).

7. The Governmental Agency Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purpose of providing funds to pay the costs of issuance of the Governmental Agency Bonds, and to pay the local share of the costs of acquisition and construction of certain new sanitary sewage facilities (the "Project"), for the Governmental Agency. The remainder of such costs are expected to be paid from a grant from the United States Environmental Protection Agency ("EPA") in the total amount of \$8,054,190, of which \$2,273,411 is allocated to the Project and the balance of which is earmarked for an additional sewer project known as "Phase II-B," and will not be expended for this Project, and other grants.

8. The Governmental Agency has, prior to delivery of the Governmental Agency Bonds, entered into agreements which require the Governmental Agency to expend in excess of \$100,000 on the Project. The Governmental Agency expects that acquisition, construction and equipping of the Project will proceed with due diligence to completion, and that all of the proceeds from the sale of the Governmental Agency Bonds will be spent on or before June 1, 1987.

9. The total cost of the Project is estimated at \$3,169,026. The amount of Project costs not expected to be reimbursed or paid from the EPA grant or other grants is estimated to be at least \$150,281. Except for the proceeds of the grants described in paragraph 7 above and tap fees estimated in the amount of \$6,580, no other funds of the Governmental Agency will be available to meet costs of the Project, and no balances are available to meet such costs in any account which may, without legislative or judicial action, be invaded to pay such expenditures without a legislative, judicial or contractual requirement that such account be reimbursed.

10. Pursuant to Article V of the Local Act, the following special funds or accounts have been created:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Bond Construction Trust Fund;

(4) Series 1986 A Bonds Sinking Fund, and within the Series 1986 A Bonds Sinking Fund, the Series 1986 A Bonds Reserve Account; and

(5) Series 1986 B Bonds Sinking Fund, and within the Series 1986 B Bonds Sinking Fund, the Series 1986 B Bonds Reserve Account.

11. Pursuant to Article VI of the Local Act the proceeds of the Bonds will be deposited as follows:

(1) From proceeds of the Series A Bonds the sum of \$12,091 shall be deposited in the Series A Bonds Sinking Fund to be applied, together with investment earnings thereon, to payment of interest on the Series A Bonds to and including August 1, 1987.

(2) The balance of the proceeds of the Governmental Agency Bonds will be deposited in the Bond Construction Trust Fund and applied solely to payment of Costs of the Project.

12. All moneys in the Sinking Funds (including any income earned thereon) will be used solely to pay principal of and interest on the Governmental Agency Bonds and will not be available to meet costs of construction of the Project.

13. Except for the Sinking Funds (including the Reserve Accounts established therein), there are no other funds or accounts established or held by the Governmental Agency which are reasonably expected to be used to pay debt service on the Governmental Agency Bonds or which are pledged as collateral for the Governmental Agency Bonds and for which there is a reasonable assurance that amounts therein will be available to pay debt service on the Governmental Agency Bonds, if the Governmental Agency encounters financial difficulties.

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 irrevocably committed therefor, will be sufficient to pay the costs of acquisition and construction of the Project as set forth in the application submitted to WDA on the date of the Loan Agreement.

14. The Governmental Agency expects that no part of the Project financed by the Bonds will be sold prior to the last maturity date of the Governmental Agency Bonds.

15. At least 85% of the spendable proceeds of the Governmental Agency Bonds will be expended on the Project within 36 months from the date of issuance thereof.

16. Any money deposited in a sinking fund for payment of the principal of or interest on the Governmental Agency Bonds (other than the Reserve Accounts) will be spent within a 13-month period beginning on the date of receipt.

17. The original proceeds of the Governmental Agency Bonds will not exceed the amount necessary for the purposes of the issue.

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

IN WITNESS WHEREOF, I have set my hand this 16th day of May, 1986.

  
Chairman

05/16/86  
OHPSD1-N



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

ENGINEER'S CERTIFICATE

I, Dominick E. Cerrone, Registered Professional Engineer, West Virginia License No. 3052 of Cerrone & Vaughn, Inc., Consulting Engineers, Wheeling, West Virginia, hereby certify as follows:

1. My firm is engineer for the construction and acquisition of certain public service properties for the collection and transportation of sewage and industrial wastes (the "Project") for Ohio County Public Service District in Ohio County, West Virginia (the "Governmental Agency"). Certain costs of such construction and acquisition are being financed in part by proceeds of the above-captioned bonds (the "Governmental Agency Bonds") and out of certain grant proceeds from the United States Environmental Protection Agency ("EPA") and West Virginia Water Development Authority ("WDA").

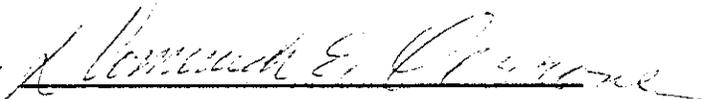
2. The undersigned hereby certifies that (i) the Project will be constructed in accordance with the approved plans, specifications and designs prepared by my firm, as described in the Application submitted to the WDA (the "Application") and approved by all necessary governmental bodies and is situate wholly or chiefly within the boundaries of Ohio County Public Service District; (ii) the Project is adequate for the purpose for which it was designed and all necessary governmental approvals and permits for the construction thereof have been obtained; (iii) my firm has examined and reviewed all plans, specifications, bid documents and construction contracts relating to the Project and all bids for construction of the Project have been received in an amount compatible with the plan of financing described in the Application and my firm has ascertained that all contractors 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 by my firm for accuracy and completeness; (iv) the Governmental Agency has obtained all permits required by the laws of the State of West Virginia and the United States of America necessary for construction of the Project or will have received all such permits prior to commencement of construction of the Project, including permits from the EPA and the West Virginia Department of Natural Resources; (v) the construction and funding for the Project should proceed to a successful conclusion within the time schedules

proposed; (vi) the useful life of the facilities constituting the Project is not less than 40 years; (vii) the rates and charges for the sewerage system of the Governmental Agency comply with the applicable provisions of the Loan Agreement and Supplemental Loan Agreement by and between WDA and the Governmental Agency; and (viii) the net proceeds of the Governmental Agency Bonds, together with all moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project as set forth in the Application.

WITNESS my signature on this 16th day of May, 1986.

CERRONE & VAUGHN, INC.

By



05/16/86  
OHPSD1-0



GRIFFIN,  
EDELMAN,  
FOOSE & CERTIFIED  
GLATZ PUBLIC  
ACCOUNTANTS

60 Fourteenth Street  
Wheeling, WV 26003  
Telephone: 233-3440

Board of Directors  
Ohio County Public Service District  
411 National Road  
Triadelphia, WV 26059

Gentlemen:

Based upon the rates and charges as approved by the Public Service Commission of WV in case 85-472-S-CN and projected operation and maintenance expenses as furnished to us by the project engineers and based upon the August 31, 1985 financial statements of the Sewage Department, upon which our audit report was dated November 25, 1985, it is our opinion that the schedule of rates and charges shall be sufficient to provide funds which, along with other revenues of the Department, will pay all operating expenses and leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the bonds to be issued to Water Development Authority and all of the obligations secured or payable from the revenues of the project prior to all on parity with the Water Development Authority bonds.

Respectfully submitted,

*Griffin, Edelman, Foose & Glatz*

May 16, 1986

Donald E. Griffin, CPA • Aaron Edelman, CPA • David A. Glatz, CPA  
Harry E. Foose, CPA • 1923-1981



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. - Comp.

PUBLIC IMPROVEMENT FUND

State Compensation Commissioner	85.42	Ins.-Comp.	-Const.	\$28.48
			Oper.	42.70
			M.Funds	14.24

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

GMH:mbc  
Enclosure (1)

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

WESTERN UNION  
Telegram  
CT W8026 PD=FAX WASHINGTON DC 14 24 8PME= 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 COMM. WITH RESPECT TO AIRMEET ON EITHER 10-19-58 OR RAIN DATE 10-26-58 FOR LIMITS OF BI \$50,000/250,000 & PD \$100,000. PREM. \$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 B1 \$50,000/250,000 \$100,000  
\*\*\*\*\*

WESTERN UNION  
Telegram  
CT WAI77 RX PD=FAX WASHINGTON DC 17 1123 AME=  
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 AMERICO=  
= 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.

TERM: 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 beheld 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

whomsoever 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 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 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 whomsoever 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.

(S E A L)

THE BOARD OF COMMISSIONERS OF THE  
COUNTY OF OHIO, Lessor

By /s/ Edward F. McKee  
President

Attest:

Windsor Heights Volunteer Fire Dept.

By Joseph Larese, 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 (Airmeet 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  
State Serial Number Department of Labor 1535  
Certificate Number

## ANNUAL CERTIFICATE OF STEAM BOILER INSPECTION

Lookout 23290 26227 1  
Manufacturer National Board Number A.S.M.E. 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 deed:

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.

ATTEST: A TRUE AND ACCURATE COPY

*[Signature]*  
Administrator

*[Signature]*  
Clerk

*[Signature]*  
President

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. McKee  
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 Morgan - 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 Morgan or the Windsor Volunteer Fire Department

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

*Mary 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. McKee, 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	421.09
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 M. Jun	250.00
Margaret T. Voellinger	245.00
Rose M. Chiazza	195.00=
Beverly Madl	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 consideration:

- 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:

NAME	AMOUNT	DISTRICT	CLASS
Chanek, Edwin	\$29.95	Clay	3

ATTEST:  
A TRUE AND ACCURATE COPY:  
Helen Clay  
Administrator

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.M.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. Slesker*  
Deputy Clerk

*Chas. 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 Voter's 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' Admn. for care and treatment.

A letter was received from Mr. George A. Weisner, Secretary of the Bethlehem 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	4310.80
	<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
Naegle, Charles	\$ 2.25	Clay
Ornd, Ophelia M.	63.06	Triad.-Whg.
Pure Oil Co.	160.96	Triad.-Whg.

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

GENERAL COUNTY FUND

Harriette A. Timbrook	\$ 36.98	Agri. Agt.
Carl H. Becker	8.57	Surplus Commod.
Geo. Cook Dist. Co.	32.45	Co. San. \$ 10.35
		F. Pris. F. 22.10- \$32.45
Whg. Whise. Grocery Co.	29.50	Co. San. 3.65
		F. Pris. F. 25.85- 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. Habig	2.00	Felony
Adolph H. Namlik, Jr.	20.00	Inquest
News Publishing Co.	20.79	Legal Adv.

GENERAL COUNTY FUND

Deal's American Service	\$ 55.80	Sheriff
McGrath's Esso Service	76.76	Sheriff
Schmidt Bros.	63.44	Sheriff
Schultze's Serv. Station	5.33	Sheriff
Schweizer Services	55.28	Sheriff
Gast Bakery, Inc.	75.72	F.Pris.F.

GENERAL SCHOOL FUND

Ann L. Andreone	281.50	Misdemeanor
Wm. Custer	3.50	"
Cathryn E. Muldoon	4.50	"
Ohio County Jail	291.00	Trans.Funds

Upon proper motion, duly seconded and carried, the regular order of business was suspended for the purpose of conducting a hearing pertaining to the extension of the water lines by the Ohio County Public Service District Board, as advertised under date of August 14, 1964, said hearing to be held August 31, but at the meeting if the last mentioned date, said hearing, by proper action of this Board, was continued until this 14th day of September.

The hearing was declared open by President Beneke, and Mr. Wm. Callahan, Attorney for the Ohio County Public Service District Board presented a Resolution adopted by the Bethany Town Council under date of August 4, 1964, which is as follows:

Town of Bethany  
Bethany, West Virginia  
August 5, 1964

AT THE REGULAR MEETING OF THE BETHANY TOWN COUNCIL HELD IN THE COUNCIL CHAMBERS ON AUGUST 4 THE FOLLOWING RESOLUTION WAS DULY APPROVED.

RESOLVED, THAT THE COMMON COUNCIL OF THE TOWN OF BETHANY HEREBY CONSENTS TO THE INCLUSION OF SAID TOWN WITHIN THE BOUNDARIES OF OHIO COUNTY PUBLIC SERVICE DISTRICT, AND HEREBY DIRECTS THE RECORDER OF SAID TOWN TO SEND BY CERTIFIED MAIL THREE CERTIFIED COPIES OF THIS RESOLUTION TO

EACH OF THE FOLLOWING:

THE COUNTY COURT OF BROOKE COUNTY;

THE COUNTY COURT OF OHIO COUNTY;

THE CHAIRMAN OF THE PUBLIC SERVICE BOARD OF OHIO COUNTY PUBLIC SERVICE DISTRICT.

\* \* \* \* \*

Attorney Callahan next presented proof of publication of said hearing in the Daily Herald published in the City of Wellsburg, West Virginia, in their edition of September 4, 1964, which Resolution is attached hereto, and made a part of the minutes of this meeting.

### PROOF OF PUBLICATION

STATE OF WEST VIRGINIA )  
COUNTY OF BROOKE ) SS.

I, Oral S. Pflueg, publisher of THE DAILY HERALD a daily newspaper published in the City of Wellsburg, County of Brooke, State of West Virginia, hereby certify that the enclosed advertisement

was published in said newspaper for 1 consecutive weeks, commencing on the 14th day of September, 1964 and concluding on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

\_\_\_\_\_  
I, Oral S. Pflueg, Publisher  
do hereby swear to and subscribed before me this 4th day of Sept, 1964

Walter B. Rozumek  
Notary Public

My commission expires March 11 1967

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, 1953, following proper hearing as required by statute, said County Court established said 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

Council of the Town of Bethany consenting to the inclusion of said Town within the boundaries of Ohio County Public Service District having been known to and inspected by this County Court and now hereby ordered to be filed herein.

IT IS HEREBY ORDERED that the County Court hereby fixes the 31st day of August, 1964, said date being not more than forty nor 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 of said County a certified copy of this order to said County.

cluded 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.  
Sept. 4



President Beneke then placed under Oath - Messrs. Prager, Heyl, 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.

oOo

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 and 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

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. Heyl, 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.

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Upon motion by Commissioner Pugh, seconded by President Beneke 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 X-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 Clerk

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The hearing being completed, the regular order of business was resumed.

President Beneke 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 Schellhase, 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	- \$230.00 per month
Carl Church	- " " "	- 210.00 " "
Charles Louk	- " " "	- 250.00 " "

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.

Carl H. Decker  
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 Courty 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.

Carl H. Decker  
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 Naegele  
and

Cheryl Naegele - both suffering from mental deficiency and committed to the W. Va. Training School at St. Marys, W. Va.

Notary Public applications for - Steve Grammen 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:

<u>NAME</u>	<u>AMT.</u>	<u>DISTRICT</u>
Bachmann Development Corp.	\$375.60	Patterson
Campbell, James J.	34.88	Madison
Diss, Andrew V. & M.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

Charles C. Beneke  
ADMINISTRATOR

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 Court-house 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 notice 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

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 September 19, 1978.

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, are included in said territory.

On the motion of Commissioner G. Charles Hughes, which was seconded by Commissioner Richard B. Ward 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 set forth and described in paragraph one of the finding of fact herein 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; 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; and it is finally

ORDERED by the Commission that the present members of the governing board of the said Ohio County Public Service District each having been appointed and qualified heretofore, shall continue in office for the durations of their respective terms of office.

ENTER this 10th day of October, 1978.

COUNTY COMMISSION OF MARSHALL COUNTY,

By Richard B. Ward  
President

This is a true copy of an order submitted to the Marshall County Commission on the 10th day of October, 1978.

TESTE:

Thomas D. Howerton  
Clerk, County Commission  
Marshall County, West Virginia

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 held on September 20, 1978, and the minutes of the special meeting held on September 25, 1978, be dispensed with and approved as presented. Motion carried.

STAFF REPORTS

Election Clerk Neva Wolen reported to the Commission that her 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 to 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 take a prisoner to the hospital for treatment, they are responsible for any expenses incurred in 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 the 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".

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 Services in view of the fact that the City of Wheeling has also granted \$1,800.50. 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 ground transportation at the Ohio County Airport contingent upon O.V.R.T.A.'s approval. Motion carried.

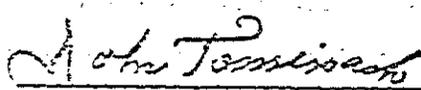
NEW BUSINESS

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that the Notary Public Applications for M. A. K. Omarzai, Phyllis I. Russell, Joseph V. Dusci, Mary P. Lewyn, Pauline A. Brandon, Ernest E. Bentfield, Patricia P. Tolbert, Raymond Tolbert, Patricia Tolbert, Jeanne E. Springer, Thomas O. McKean and Arthur L. McKenzie 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 was adjourned at 3:10 p.m. The next regular meeting will be held on Wednesday, October 18, 1978.



John I. Dominack, President



Thomas C. Samol, Administrator

ATTEST: A TRUE AND ACCURATE COPY

  
Administrator

## MISCELLANEOUS ORDERS

REGULAR ADJOURNED SESSION OF THE COUNTY COURT OF BROOKE COUNTY, WEST VIRGINIA  
HELD MONDAY, AUGUST 17, 1964

-0-

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. Sommerville, Clerk

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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.

-0-

18A

-0-

REGULAR ADJOURNED SESSION OF THE COUNTY COURT OF BROOKE COUNTY, WEST VIRGINIA  
HELD THURSDAY, September 3, 1964

-0-

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

-0-

Mr. Charles D. 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

## R E S O L U T I O N

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 motion 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 31st 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



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THE OHIO COUNTY COMMISSION  
OF THE COUNTY OF OHIO

The Ohio County Commission of the County of Ohio met in the Board Room in the Courthouse for their Regular Meeting held on Thursday, October 11, 1984 at 3:00 P.M.

The meeting was called to order by President John I. Tominack and those in attendance were Commissioner Samuel J. Anthony, Thomas C. Samol, Administrator and Legal Counselor Landers P. Bonenberger. Commissioner John E. Fahey was absent.

Commissioner Anthony made a motion, seconded by President Tominack to dispense with the reading of the minutes of the September 26, 1984 meeting and accept them as presented. Motion carried.

PERSONS TO BE HEARD

Mr. James Gardill appeared representing Forward-Tele Productions Bond Issue. He noted the Commission adopted a Commercial Development Bond Issue for Forward-Tele Productions to finance the expansion of the WTRF television studio. Mr. Gardill presented documents transferring the responsibility of the bond issue to Westray, Inc., new owners of the studio.

Commissioner Anthony made a motion, seconded by President Tominack to authorize the President of the Ohio County Commission to execute the necessary documents on behalf of Forward-Tele Productions Inc. Motion carried.

BID

Commissioner Anthony made a motion, seconded by President Tominack to reject the bid for the tractor at the Airport and to seek other bids at a later date. Motion carried.

OLD BUSINESS

Commissioner Anthony made a motion, seconded by President Tominack to adopt the Salvage Yard Permit as presented. Motion carried. Said permit being made a part of these minutes.

Commissioner Anthony requested a letter of protest be sent to the W. Va. Legislature regarding the statutory fee charged for the Salvage Yard Permit application. He noted the \$25.00 fee charged does not cover for the process of the application.

APPOINTMENT

Commissioner Anthony made a motion, seconded by President Tominack to reappoint Mr. James Boyd to serve on the Ohio County Public Service District Board commencing on November 1, 1984 through October 31, 1990. Motion carried.

President Tominack requested a letter be sent to Wheeling Electric Co. thanking them for letting Mr. Boyd serve on the Ohio County Public Service District Board.

STAFF REPORTS

Administrator Samol reported that one of the new elevators in the City-County Building should be operational in about two to three weeks.

Administrator Samol reported all of the software problems regarding the new phone system have been corrected.

Administrator Samol reported the final inspection of the partial parallel taxiway at the Airport will take place on October 17, 1984 at 1:00 P.M.

BILLS TO BE PAID

Commissioner Anthony made a motion, seconded by President Tominack that the bills be paid as presented. Motion carried.

THE OHIO COUNTY COMMISSION  
OF THE COUNTY OF OHIO

110

The Ohio County Commission of the County of Ohio met in the Board Room in the Courthouse for their Regular Meeting held on Friday, October 15, 1982 at 9:00 AM.

The meeting was called to order by President John I. Tominack and those in attendance were Commissioners Samuel J. Anthony, David R. DeProspero, Administrator Thomas C. Samol and Legal Counselor Landers P. Bonenberger.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony that the reading of the minutes of the Regular Meeting held on September 22, 1982 and the Special Meeting held on September 28, 1982 be dispensed with and be accepted as presented. Motion carried.

NOTARY PUBLIC APPLICATIONS

Commissioner Anthony made a motion, seconded by Commissioner DeProspero that the Notary Public Applications of Mary H. Kahle, Allen D. Kahle Jr., D. Reed Burke, Thomas A. Buono, Gillian R. Simon, Beverly M. Tonicic, Mary K. Calbone, Edith I. Sheets, Kevin A. Stryker, James G. Bordas Jr., be accepted as presented. Motion carried.

CAR BIDS

Administrator Samol reported he has received three bids for the 1982 4-Wheel Drive Vehicle for the Sheriff's Department. The following bids were opened: Valley Lincoln Ford in the amount of \$10,920.00; Ron Baker Chrysler Dodge in the amount of \$11,341.00 and King Chevrolet in the amount of \$11,167.00.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony to take these bids under advisement for review. Motion carried.

APPOINTMENT

Commissioner DeProspero made a motion, seconded by Commissioner Anthony to reappoint Bob Luchetti to serve on the Board of the Ohio County Public Service District from November 1, 1982 to November 1, 1988. Motion carried.

OLD BUSINESS

Commissioner DeProspero made a motion, seconded by Commissioner Anthony to execute the agreement between the Ohio County Commission and the Bel-O-Mar Regional Council to administrator the HUD grant for the Cedar Rock Sewer Project. Motion carried.

STAFF REPORTS

Administrator Samol reported to the Commission that on Tuesday, October 26, 1982 at 11:00 AM the est will be run for the voting equipment to be used for the General Election.

Administrator Samol reported he has received a report from the Office of Revenue Sharing stating the Revenue Sharing Program runs out on September 30, 1982 and will be the last entitlement period unless Congress takes it up and reauthorizes the Revenue Sharing Program.

Administrator Samol reported he has received a program evaluation from the Governor's Office of Economic and Community Development on the Clean Streams Program held this summer and noted that Ohio County has received a good rating.

BILLS TO BE PAID

Commissioner Anthony made a motion, seconded by Commissioner DeProspero that the bills be paid as presented. Motion carried.

NOV 21 1978

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The Ohio County Commission of the County of Ohio met in the Board Room of the County Court House on Wednesday, January 25, 1978, at 2:30 P.M.

The meeting was called to order by President John I. Tominack and those in attendance were Commissioner Samuel J. Anthony and Administrator Thomas C. Samol.

Commissioner Anthony made a motion, seconded by President Tominack that the reading of the minutes of the regular meeting held on January 4, 1978, be dispensed with and accepted as presented. Motion carried.

#### PERSONS TO BE HEARD

Mr. Jeffrey McGeary, solicitor for the Town of Triadelphia, appeared before the Commissioners in response to the Commission's request for a statement of costs and expenses for the sewer system corrections in Triadelphia. The amount submitted-\$18,041.93.

Commissioner Anthony made a motion, seconded by President Tominack that this matter be taken under advisement. Motion carried.

Mr. Snyder from the Ohio County Public Service District, introduced to the Board Mr. Lawrence and Mr. Procopio, from Holley, Kenney, Schott, Inc., to give a progress report as to what the Public Service District is doing as the result of the bid opening on the county sanitary project.

Mr. Procopio stated that they are in the process of preparing recommendations to the Ohio County Public Service District and looking at a number of options available to them. With what they have now, the project looks fairly good.

Commissioner Anthony inquired as to a breakdown of the sewer project so as to allow bidding from the local contractors. Mr. Procopio said it was a possibility.

Due to the recent criticism that the letting of bids had been delayed for 2 years, President Tominack asked the news media to clear up the fact that 2 years ago the project was only in the feasibility and designing phases and also 2 years ago they did not have the 8-1/2 million dollar base grant which would have made the monthly cost much too high to the county residents.

Mr. Anderson from Glens Run in Warwood appeared before the Board in regards to run-off and a landslide due to an abandoned mine in the rear of Mr. Anderson's home. Mr. Anderson wanted to find out the ownership of the land where the mine was located and the Commissioners directed him to the Assessor's Office.

The Commissioners advised Mr. Anderson to attain an attorney as to the legal aspects of the landslide. Also, the Commissioners will follow up with Governor Rockefeller on this matter.

#### STAFF REPORTS

Administrator Samol reported to the Commission that the first payment of the ninth entitlement period of Revenue Sharing money in the amount of \$103,794.00 has been received and a public meeting on that money will be held on February 22, 1978, at 2:30 P.M.

The Board of Equalization and Review will meet on February 1, 1978, at 2:30 P.M. in the Board Room to set up a docket for hearing any possible complaints.

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STAFF REPORTS

(continued)

The George Efthemes hearing is Friday, January 27, 1978, at 3:00 P.M. President Tominack asked that Election Clerk Neva Wolen be present with any records that may be needed.

CORRESPONDENCE

Letter from Ohio County Library requesting their levy rate for the fiscal year 1978-79.

Letter from Lester Hess regarding the establishment of rural fire protection districts. President Tominack advised Administrator Samol to get in touch with Hancock County Commissioner Joe Manypenny and ask for advice as to what they did regarding this matter.

Letter from John R. Melton, Director of Local Government Relations Division in the State Tax Department approving the expenditures of local funds for subsidizing transportation to the Wheeling-Ohio County Airport by O.V.R.T.A. Commissioner Anthony requested that a copy of the letter be sent to Jim Weaver of Bel-O-Mar advising him of our next meeting date if he wishes to pursue this matter.

OLD BUSINESS

Commissioner Anthony made a motion, seconded by President Tominack, that the Minimum Standards for Commuter Airlines be tabled until the next meeting to allow Airport Manager Semple time to review these standards and also to allow Commissioner DeProspero to be present at the meeting. Motion carried.

NEW BUSINESS

Commissioner Anthony made a motion, seconded by President Tominack, that the Notary Public Applications for Dorothy A. Satterfield, John W. Lipphardt, Glenda Joy Zambito, Jerry A. Yuhase, Gary R. Beale, Robert J. Mulroy, Mahmood Ali Khan Omarzai, Brian M. McKinley, and William V. Busick be approved as submitted. Motion carried.

Commissioner Anthony made a motion, seconded by President Tominack, that Dr. Dan Dickinson be reappointed to serve on the Ohio County Public Service District for another term of 6 years to commence simultaneously with the expiration of his former term. Motion carried.

President Tominack suggested that the selection of President of the Ohio County Commission be tabled until the next meeting, February 8, 1978, so that Commissioner DeProspero may be present.

Commissioner Anthony made a motion, seconded by President Tominack, regarding obligating Title II to the Deputy Assessors' salary line item in the amount of \$688.92. Motion carried.

Commissioner Anthony made a motion, seconded by President Tominack, authorizing and approving the change orders to Elm Grove Electric Co. #E-2 - \$480.00 (1 ft. 8 in. extension), Byrum Construction Co. GC-3 - \$7,500.00 (1 ft. 8 in. extension), and Byrum Construction Co. GC-4 - \$3,000.00 (extra excavation). Motion carried.

COMMISSIONERS' REMARKS

President Tominack and Commissioner Anthony both made comments that the Jail Committee has done a fine job.

President Tominack also commented that word has been received from Congressman Mollohan that Fm.H.A. is loaning 2.66 million dollars for the water extensions thru McGraws Run, Dixon Run, Peters Run, and Short Creek if the latter collects the \$175.00 tap-on fee.

Commissioner [unclear] made a motion, seconded by President Tominack, that the bills be paid as submitted. Motion carried.

There being no further business at this time, the meeting was adjourned at 3:30 P.M. The next regular meeting will be held on Wednesday, February 8, 1978, at 2:30 P.M.

John I. Tominack

John I. Tominack, President

Thomas C. Samol

Thomas C. Samol, Administrator

A True Copy:

ATTEST:

Thomas C. Samol

Administrator

The Ohio County Commission of the County of Ohio met in the City Council Chambers of the County Court House on Wednesday, February 21, 1979, at 2:30 p.m.

The meeting was called to order by President John I. Tominack and those in attendance were Commissioners Samuel J. Anthony and David R. DeProspero, Administrator Thomas C. Samol and Legal Counselor Landers P. Bonenberger.

Commissioner Anthony made a motion, seconded by Commissioner DeProspero, that the reading of the minutes of the regular meeting held on February 7, 1979, be dispensed with and approved as presented. Motion carried.

PERSONS TO BE HEARD

Mr. Steven Levy appeared before the Commission representing E. F. Hutton requesting the passage of a procedural resolution which will enable the Ohio County Mortgage Revenue Bond Project to move forward. Mr. Levy explained that this resolution authorizes E. F. Hutton to place into the newspapers of Ohio County advertisements which will invite all lending institutions to obtain an invitational package for their review from the Commissioners' Office. The packages will include all the documents and a summarized letter. Upon the lending institution's review of the invitational package, they will return a form to the Commissioners submitting an original and supplemental request to originate mortgage loans.

This resolution also authorizes E. F. Hutton to prepare a preliminary prospectus and circulate it for the Ohio County Mortgage Revenue Bonds Project. The resolution authorizes a bank account to be set up to hold the commitment fees which local banks will submit with their applications to originate mortgage loans.

Mr. Levy stated that the Wheeling base of A. E. Masten has been added to E. F. Hutton's management group. They will work as co-managers of the project in Ohio County. The income limit in Ohio County will be \$30,000.00 adjusted gross income which will include 95% of all homebuyers in Ohio County. Ohio County's rate will depend on the interest rate of the bonds at the time they are sold.

All loans will be on a 30-year term with no less than 5% nor more than 20% down payment. The lending institutions will have 12 months to put the money out. The anticipated date for closing the \$15 million bond issue is April 11, 1979.

President Tominack stated that Ohio County is in no way financially liable for the bonds and all the costs will be borne by either E. F. Hutton or the proceeds of the bond issue.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that the attached resolution regarding the Single Family Residence Mortgage Revenue Bonds be approved. Motion carried.

REVENUE SHARING PROPOSED USE HEARING

The Ohio County Commission heard the following requests relative to the expenditures of the Tenth Entitlement Period of Revenue Sharing money (\$347,991.00):

A representative of the Northern Panhandle Mental Health Center appeared before the Commission requesting \$42,935.00 for its 1979-1980 budget.

Mr. Manuel Viola came before the Commission requesting \$11,159.00 for the Children and Family Service - Senior Service Division's budget for 1979-1980. Mr. Viola also requested \$6,341.88 from matching funds.

Representing the Wheeling Area Training Center for the Handicapped, Inc. was Dr. Sharp requesting \$90,500.00 or any portion of that amount that the Commission can afford to be used towards capital improvements, the purchase of needed equipment, restoration of operating budget deficit and providing funds for operating budget 1979-1980.

(continued)

Also requested by WATCH was \$12,293.93 (estimated) for costs of operating three vans.

Representing the King's Daughter Child Care Center, Inc. was Mary Ellen Dalman requesting \$8,000.00 to be used to complete construction of their East Wheeling facility.

Mr. Mark Weaver and Dr. I. A. Wiles appeared before the Commission representing the West Virginia Health Systems Agency requesting for their 1979-1980 budget a nickel per capita from Ohio County which comes out to \$3,210.00.

Coming before the Commission for the Big Brother/Big Sister of Wheeling, Inc. was Dave Baceski requesting \$5,000.00 which will be used for direct services and overhead expenses for public information.

Mr. Phil Kirby came before the Commission requesting \$5,778.00 for the Multi-Service Center which will be used as part of the matching funds for the Title 20 contract with the Department of Welfare.

Mr. Ron Klug appeared before the Commission on behalf of the Mountain State Marine Sciences Institute. Mr. Klug stated that he is not requesting funds at this time but wished to familiarize the Commission with the Institute's purpose which is a juvenile delinquency program serving troubled youths.

A letter had been received from Mr. Ned George requesting \$750.00 for the 1979 Wheeling L. P.G.A. Classic.

A letter had been received from Mr. John R. Williams requesting \$5,000.00 towards the Ohio Valley Industrial and Business Development Corporation's 1979-1980 operating budget.

A letter had been received from Mr. Frederick E. Mayer on behalf of Societal Concepts, Inc. requesting \$3,000.00 for their 1979-1980 fiscal year budget for Project 60.

With the conclusion of the requests, it was moved and seconded that all of the above requests for Revenue Sharing monies be taken under advisement. Motion carried.

After hearing all the revenue sharing requests, President Tominack commented that the requests far exceed the expected income for any one entitlement period and also, he is disturbed very much that this governmental agency is in jeopardy of losing its revenue sharing if funded agencies that issue any of the money advanced to them do not meet federally established criteria guidelines.

#### STAFF REPORTS

Administrator Samol reported to the Commission that Mr. Worls has requested the second \$50,000.00 allocation of the \$100,000.00 commitment the Commissioners had made last year.

Commissioner Anthony made a motion, seconded by Commissioner DeProspero, that the 1978-1979 Revenue Sharing budget be amended to include the additional \$50,000.00. Motion carried.

#### NEW BUSINESS

Commissioner Anthony made a motion, seconded by President Tominack, that the Notary Public Applications for Sue Seibert Farnsworth, Albert A. Pietz, Jr., Robert J. Seiber, Elvira S. Ciabotti and Marjorie J. Lekanidis be approved as submitted. Motion carried.

#### OLD BUSINESS

The following bids were opened regarding the jail physician bids:

- Dr. Thomas J. Schmitt - \$7,200.00 yearly total (\$600.00 a month)
- Dr. Thomas Wack - \$7,200.00 yearly total (\$600.00 a month)
- Dr. Hossein Yassini - \$6,000.00 yearly total (\$500.00 a month)

(continued)

Commissioner Anthony made a motion, seconded by Commissioner DeProspero, that the appointment of jail physician be tabled until the next meeting (March 7, 1979) to clarify what exactly the jail physician's duties are and what each above doctor has proposed to do. Motion carried.

Administrator Samol submitted brief resumes of Clyde Thomas and James Boyd for consideration to be appointed to the Ohio County Public Service District Board. It was the consensus that both individuals were well qualified to serve.

Commissioner DeProspero made a nomination, seconded by Commissioner Anthony, of Clyde Thomas to serve on the Ohio County Public Service District Board for a term ending November 1, 1984. The nomination was defeated - yeas: Commissioner DeProspero, nay: President Tominack and Commissioner Anthony.

Commissioner Anthony placed in nomination to the Ohio County Public Service District Board for a term ending November 1, 1984, James Boyd and President Tominack seconded this nomination. The nomination passed - yeas: President Tominack and Commissioner Anthony, nay: Commissioner DeProspero.

CORRESPONDENCE

A letter has been received from the West Virginia Department of Highways regarding two right-of-ways along Route 40 at the County Farm to temporarily go upon the land during construction of two bridge structures.

Commissioner Anthony made a motion, seconded by President Tominack, to approve the attached resolution granting the West Virginia Department of Highways the two right-of-ways requested for access to the County Farm. Motion carried.

A letter has been received from the West Virginia State Tax Department advising the Commission of the Budget Preparation Seminar to be held on February 23, 1979, from 9:30 a.m. to 3:00 p.m. in the City Council Chambers.

A letter has been received from George Anetakis as attorney for West Virginia Energys, Inc. advising the County Commission that West Virginia Energys, Inc. has negotiated a deal with L. S. Good for the purpose of purchasing their entrance into the hangar facility.

Commissioner Anthony made a motion, seconded by President Tominack, that the Commission turn the above stated letter over to Legal Counsel Bonenberger to draft a letter advising West Virginia Energys, Inc. the Commission's negative position in this matter. Motion carried.

COMMISSIONERS' REMARKS

Commissioner Anthony commented that he was happy to see E. F. Hutton come before the Commission and have them authorize E. F. Hutton to proceed to the next step.

Commissioner DeProspero made a motion, seconded by Commissioner Anthony, that a letter from the Ohio County Commission be sent to Governor Rockefeller asking him to consider the inflation cost factor regarding the allocation to Bel-O-Mar Regional Council. Motion carried.

BILLS TO BE PAID

Commissioner Anthony made a motion, seconded by President Tominack, that the bills be paid as submitted. Motion carried.

There being no further business at this time, the meeting was adjourned at 5:00 p.m. The next regular meeting will be held on Wednesday, March 7, 1979.

John I. Tominack  
John I. Tominack, President

Thomas C. Samol  
Thomas C. Samol, Administrator

*Thomas C. Samol*  
Administrator

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 Court House on Wednesday, September 17, 1980 at 2:45 P.M.

The meeting was called to order by President Samuel J. Anthony and those in attendance were Commissioners David R. DeProsepro and John I. Tominack, Administrator Thomas C. Samol and Legal Counselors P. Bonenberger.

Commissioner DeProsepro made a motion, seconded by Commissioner Tominack that the reading of the minutes of the Regular Meeting held on September 3, 1980 and the reading of the minutes of the Special Meeting held on September 3, 1980 be dispensed with and accepted as presented. Motion carried.

PERSONS TO BE HEARD

Mr. Dein Steinman from the Northern West Virginia Emergency Medical Services Office appeared before the Commission and presented to them for their signatures the applications for titles for two new ambulances.

Mr. George McLaughlin candidate for the Prosecuting Attorneys Office and Mr. James Dailer candidate for the Magistrates Office appeared before the Commission regarding the registration of the elderly voters in Ohio County.

Mr. McLaughlin stated he was requested by the residents of the Montani Towers to look into having someone from the Voter's Registration Office come to the Towers and obtain registrations from the elderly residents who live there. He noted most of these residents are infirmed or do not have transportation to come to the City-County Building to register.

Mrs. Neva Wolen Election Clerk stated that it is two weeks before the books close for the registration for the upcoming General Election and she does not have the staff to send out to obtain registration.

Mr. Dailer requested if may be some Volunteer could be deputized to do this registration or have mail in registrations.

Legal Counsel Bonenberger stated his interpretation of the State Code does not permit mail in registrations or have Volunteers to do any registering other than the Voter's Registration Office.

President Anthony noted if they had come before the Commission with this problem long before this time they could have had more time to work on this problem.

Legal Counsel Bonenberger stated the Voter's Office would do everything in its power to correct the registration for anyone contacting the office by phone.

NEW BUSINESS

Commissioner DeProsepro made a motion, seconded by Commissioner Tominack to approve the Resolution of the FAA Grant for the Wheeling-Ohio County Airport in the amount of \$81,811.00. Motion carried. The Resolution being made a part of these minutes.

Commissioner DeProsepro made a motion, seconded by Commissioner Tominack to authorize the President and the Administrator to execute the necessary contracts for Tri-State Asphalt in the amount of \$67,077.75. Motion carried.

Commissioner DeProsepro made a motion, seconded by Commissioner Tominack to approve the order placing the Excess Levy on the November 4, 1980 General Election Ballot in the amount of \$200,000.00 to be used for the compensation of County employees' salaries. Motion carried.

Mr. George Snyder from the Ohio County Public Service District appeared before the Commission to give a progress report on the 3 fire hydrants purchased by the Commission for the Boggs Hill area.

He noted that he has received the three hydrants and one tee from T&L. He stated they do not meet the specifications of the City because they are Darling Hydrants not Dresser hydrants as requested by the City.

NEW BUSINESS

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(Cont'd)

Commissioner Tominack requested Mr. Snyder to contact him on Monday as he would check into the matter.

The Ohio County Public Service District requested funds from the Ohio County Commission in the amount of \$10,000 to replace five hydrants needed throughout Ohio County.

Commissioner DeProspero made a motion, seconded by Commissioner Tominack that the Ohio County Commission purchase 5 hydrants out of the Coal Severance Tax Fund to cover the cost for the materials with the Ohio County Public Service District providing for the labor for the installation of these hydrants. Motion carried.

Commissioner DeProspero made a motion, seconded by Commissioner Tominack to appoint Mr. Bob Luchetti to the Ohio County Public Service District Board. Motion carried.

STAFF REPORTS

Election Clerk Neva Wolen reported to the Commission that the Voters Registration Office will be closing their books on October 6, 1980. She stated her office will be extending hours so that residents of Ohio County may come in to register to vote, to change their politics or change of address.

NOTARY PUBLIC APPLICATIONS

Commissioner DeProspero made a motion, seconded by Commissioner Tominack that the Notary Public Applications of William G. Castilow be approved as presented. Motion carried.

COMMISSIONER'S REMARKS

President Anthony stressed the importance of the passage of the Excess Levy. He noted the proceeds from the proposed levy will be used exclusively for employees salaries. He stated the levy's approval is necessary if the County is to continue rendering quality services.

Commissioner DeProspero noted the county employees will be the direct beneficiaries of the excess levy. He stated their services are essential. They have as a result of inflation been forced to live in substandard living conditions.

Commissioner Tominack stated the levy is very minimal to the increase of the tax bills and noted that persons paying taxes under the Homestead Exemption would be unaffected by the levy.

BILLS TO BE PAID

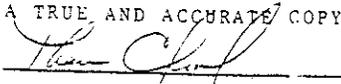
Commissioner DeProspero made a motion, seconded by Commissioner Tominack that the bills be paid as presented. Motion carried.

There being no further business the meeting adjourned at 3:45 PM. The next regular meeting will be held on Wednesday, October 1, 1980 at 2:30 P.M.

  
Samuel J. Anthony, President

  
Thomas C. Samol, Administrator

ATTEST: A TRUE AND ACCURATE COPY

  
Administrator

THE OHIO COUNTY COMMISSION  
OF THE COUNTY OF OHIO

The Ohio County Commission of the County of Ohio met in the Board Room in the Court House on Wednesday, January 7, 1981 at 2:40 P.M.

The meeting was called to order by President Samuel J. Anthony and those in attendance were Commissioners David R. DeProspero and John I. Tominack, Administrator Thomas C. Samol and Legal Counselor Landers P. Bonenberger.

Commissioner Tominack made a motion, seconded by Commissioner DeProspero that the reading of the minutes of the Regular Meeting held on December 17, 1980 and the reading of the minutes of the Special Meeting held on December 29, 1980 be dispensed with and accepted as presented. Motion carried.

PERSONS TO BE HEARD

Mr. T. C. McCarthy appeared before the Commission on behalf of Capital Properties, Inc., a West Virginia corporation which owns property and buildings on the Peninsula in Wheeling, West Virginia. Also present was Mr. Richard A. Smith who is the principal owner of this company.

Mr. McCarthy presented to the Commission an Inducement Resolution for the issuance of Commercial Development Bonds not to exceed \$400,000 which will finance the construction and equipment for the expansion and renovation of an existing plant known as Ohio Valley Steel Co.

He noted Ohio Valley Steel Co. has been in business in Ohio County for about 24 years which is also owned by Mr. Smith. The expansion of the business since 1978 has shown an additional employment of 55% and an increase of sales of 80%.

He noted the future of Capital Properties plans a five year project for additional expansion to include the purchase of a 1.7 acre site which is presently located in the OVIEDC Industrial Park and also an expansion of the present fabrication facility of Ohio Valley Steel.

Commissioner Tominack made a motion, seconded by Commissioner DeProspero that the proposed Resolution submitted by Capital Properties Inc. in the amount of \$400,000 as proposed and amended be accepted as presented. Motion carried.

Mr. Richard Smith appeared before the Commission representing the Ohio County Public Service District Board noted they have received no response from the DNR and EPA regarding the formal written request submitted by the OCPD for an extension of the grant for the sewer line extension. He noted that the request for the extension is currently being reviewed by the DNR and EPA.

Commissioner Tominack made a motion, seconded by Commissioner DeProspero that the Commission go into Executive Session for the purpose of discussing personnel, budget matters and the selection of officers. Motion carried.

President Anthony called the meeting back to order at 3:35 P.M.

SELECTION OF OFFICERS

Commissioner Tominack stated "In all fairness, I have always felt that the (Office of) President Should rotate". He noted of outgoing President Anthony "He has accomplished more in one year than I did in my three years as President".

Commissioner Tominack nominated David R. DeProspero to serve as President of the Ohio County Commission. The nomination was seconded by Commissioner Anthony. Nomination carried.

Commissioner Tominack nominated Commissioner Samuel J. Anthony to serve as Vice-President of the Ohio County Commission. Nomination was seconded by President DeProspero. Nomination carried.

Commissioner Anthony made a motion, seconded by Commissioner Tominack that Thomas C. Samol be reappointed as Administrator of the Ohio County Commission. Motion carried.

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SELECTION OF OFFICERS

(Cont'd)

Commissioner Anthony made a motion, seconded by Commissioner Tominack that Neva Wolen be reappointed as Election Clerk. Motion carried.

Commissioner Anthony made a motion, seconded by Commissioner Tominack that Mr. Charles Semple be reappointed as Airport Manager. Motion carried.

Commissioner Anthony made a motion, seconded by Commissioner Tominack to appoint Louis J. John to replace Robert Samol as Commissioner of Accounts effective January 1, 1981 thru December 31, 1982.

Commissioner Anthony made a motion, seconded by Commissioner Tominack that Mr. Melvin Kahle be appointed to serve as Commissioner of Accounts effective January 1, 1981 thru December 31, 1981. Mr. Gary Sacco to replace Mr. Kahle as Commissioner of Accounts effective January 1, 1982 thru December 31, 1982. Motion carried.

Commissioner Tominack made a motion, seconded by Commissioner Anthony that Mr. Joseph Gompers be reappointed to serve as Commissioner of Accounts effective January 1, 1981 thru December 31, 1982. Motion carried.

President DeProspero made a motion, seconded by Commissioner Tominack that Mr. Jacob Robinson be appointed to serve as Commissioner of Accounts effective January 1, 1981 thru December 31, 1982. Motion carried.

Commissioner Tominack made a motion, seconded by Commissioner Anthony that Mr. Dan Dickinson be appointed to the Ohio County Public Service District Board replacing Mr. Ron Hobbs. Motion carried.

PERSONS TO BE HEARD

Mr. Ray Byrd appeared before the Commission on behalf of the HAGO Co. He noted that HAGO has agreed to the service fee to be based on the completed value of the structure and purchase price of the land. He stated that once the Assessor makes an assessment on the property, it will be a fixed rate for the term of the bonds.

Commissioner Tominack made a motion, seconded by President DeProspero to have the service fee at a fixed rate for the term of the bonds on behalf of the HAGO Co. contingent upon the Commission's authority to do so. Commissioner Anthony abstained from this motion due to the fact that his CPA Firm does tax work for the HAGO Co.

CORRESPONDENCE

A letter from Cecil Heyman, Chairman of the Ohio County Building Commission informing the Commission of the resignation of Paul Donahie from the Ohio County Building Commission.

NEW BUSINESS

Administrator Samol reported to the Commission that the Federal minimum wage is \$3.35 per hour and that 25 employees will need an increase of salary to meet the minimum wage requirement. Total cost for this increase is \$4,200.

Commissioner Tominack made a motion, seconded by Commissioner Anthony that the minimum wage budget adjustments be brought up to comply with the Federal Law. Motion carried.

Administrator Samol reported to the Commission he has received a letter from Mull-Plohas, a local CPA firm indicating that they have been appointed by the State Tax Department to conduct a financial audit for Ohio County. The fee will be \$13,500 for a two year audit for the County.

Commissioner Tominack made a motion, seconded by Commissioner Anthony that the \$13,500 audit contract be awarded to Mull-Plohas Co. Motion carried.

NOTARY PUBLIC APPLICATION

Commissioner Anthony made a motion, seconded by Commissioner Tominack that the Notary Public Application of George Bamberger be approved as submitted. Motion carried.

COMMISSIONER'S REMARKS

Commissioner Anthony extended his sincere appreciation to the other members of the Commission, the Administrator, Office secretaries, Lanny Bonenberger and others for all their fine cooperation and help that was extended to him while he served as Commission President.

President DeProspero stated that 1980 was a year of progress for Ohio County. He noted the efforts of the Commission in securing the Roneys Point Property. He stated the 1981 should be a year of continued progress.

BILLS TO BE PAID

Commissioner Anthony made a motion, seconded by Commissioner Tominack that the bills be paid as presented. Motion carried.

STAFF REPORTS

Commissioner Tominack made a motion, seconded by Commissioner Anthony that Commissioner Anthony's signature continue on the check protector until the new plate is ordered. Motion carried.

The following dates for the Board of Equalization and Review were set as follows: Monday, February 2, 1981 at 9:00 AM, Thursday, February 5, 1981 at 2:30 PM, Tuesday, February 10, 1981 at 7:00 PM; Thursday, February 13, 1981 at 2:30 PM and Wednesday, February 18, 1981 at 2:30 PM.

Mr. Charles Reinacher from the Clearview Volunteer Fire Department appeared before the Commission and requested the Commission's signature on an application for state assistance for the purchases of ambulances.

Commissioner Anthony made a motion, seconded by Commissioner Tominack that the Commission be authorized to execute the agreement for Clearview to seek state assistance for the purchase of ambulances. Motion carried.

Administrator Samol reported to the Commission that he has received a letter from Gene Elkins from the W. Va. Association of County Officials stating they have received a grant to do follow-up work on Workmen's Compensation and Unemployment claims to act in the County's behalf to review to see what claims should or should not be paid.

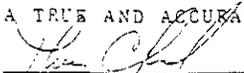
Commissioner Anthony made a motion, seconded by Commissioner Tominack that the Commission honor the request from Gene Elkins to provide technical assistance for this grant project. Motion carried.

There being no further business at this time, the meeting was adjourned at 4:00PM. The next regular scheduled meeting will be held on Wednesday, January 21, 1981 at 2:30 P.M.

  
\_\_\_\_\_  
David R. DeProspero, President

  
\_\_\_\_\_  
Thomas C. Samol, Administrator

ATTEST: A TRUE AND ACCURATE COPY

  
\_\_\_\_\_  
Administrator

STATE OF WEST VIRGINIA, OHIO CO., IV:

I, Robert R. Buckette, do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the office of Ohio County Public Survey Comptroller of Ohio County, West Virginia, to the best of my skill and judgment. So help me God.

Subscribed and sworn to by the said Robert R. Buckette before me, the undersigned, this 24<sup>th</sup> day of September, 1930.

Paulie H. Neppach  
Clerk of the Circuit Court of Ohio County

My Term Expires:  
December 31, 1930

STATE OF WEST VIRGINIA, OHIO COUNTY:

I, Marice W. Beckwith, do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the office of Ohio County Public Service District of Ohio County, West Virginia, to the best of my skill and judgment. So help me God.

Subscribed and sworn to by the said Marice W. Beckwith before me, the undersigned, this 22<sup>nd</sup> day of February, 1941.

My Term Expires: December 31, 1941.  
Wesley H. Beckwith  
Clerk of the Circuit Court of Ohio County

STATE OF WEST VIRGINIA, OHIO COUNTY :

I, James C. Boyd, Jr., do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the office of Member of Board of Public Service Dis-  
trict of Ohio County, West Vir-  
ginia, to the best of my skill and judgment. So help me God.

Subscribed and sworn to by the said James C. Boyd, Jr.  
before me, the undersigned, this 13th day of March, 1979.

Frank N. McBeth  
Clerk of the Circuit Court of Ohio County

My Term Expires:  
December 30, 1981



STATE OF WEST VIRGINIA,  
COUNTY OF OHIO, To-wit:

I, Robert R. Luchetti, do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the office of Member of the Board of the Ohio County Public Service District to the best of my skill and judgment. So help me God.

  
\_\_\_\_\_  
Robert R. Luchetti

Subscribed and sworn to by the said Robert R. Luchetti,  
before me, the undersigned, this 14th day of May,  
1986.

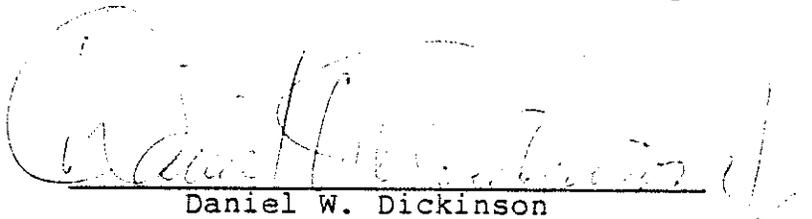
  
\_\_\_\_\_  
Clerk of the County Commission  
of Ohio County, West Virginia.

My term expires:

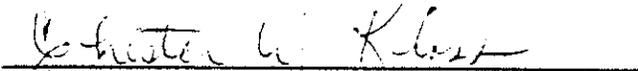
December 31st, 1986

STATE OF WEST VIRGINIA,  
COUNTY OF OHIO, To-wit:

I, Daniel W. Dickinson, do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the office of Member of the Board of the Ohio County Public Service District to the best of my skill and judgment. So help me God.

  
Daniel W. Dickinson

Subscribed and sworn to by the said Daniel W. Dickinson,  
before me, the undersigned, this 9th day of May,  
1986.

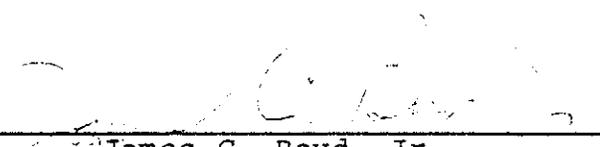
  
Clerk of the County Commission  
of Ohio County, West Virginia.

My term expires:

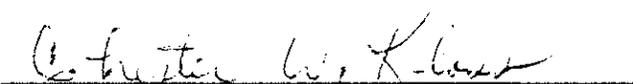
December 31st, 1986

STATE OF WEST VIRGINIA,  
COUNTY OF OHIO, To-wit:

I, James C. Boyd, Jr., do solemnly swear that I will support the Constitution of the United States and the Constitution of this State, and that I will faithfully discharge the duties of the office of Member of the Board of the Ohio County Public Service District to the best of my skill and judgment. So help me God.

  
James C. Boyd, Jr.

Subscribed and sworn to by the said James C. Boyd, Jr., before me, the undersigned, this 9th day of May, 1986.

  
Clerk of the County Commission  
of Ohio County, West Virginia.

My term expires:

December 31st, 1986



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



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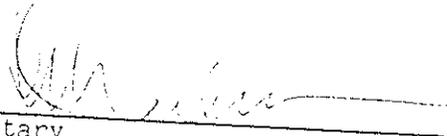
Mr. Boyd suggested they maintain the vigil they have with Dr. Thomas from the Health Department, and that by attending the Board Meeting shows interest and support- which the District needs. He said letters favoring sewer, sent to Charleston would help. He also, told Dr. Joseph that the Health Department has complaint sheets on file at the office and are used to decide if sewer is needed, and that continuous complaints won't hurt.

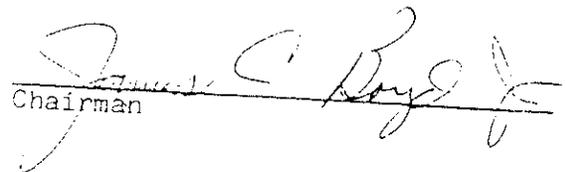
Dr. Joseph asked if a different system would be any sooner and was told, No. The paperwork is the hold-up, and the PSC reviews and approves plans and that a majority is needed.

When Dr. Joseph asked what about any against the Sewer-Mr. Boyd said to have them write also.

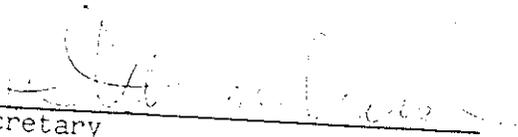
Dr. Joseph concluded with, "The Sewer is really needed".

Mr. Luchetti made a motion to adjourn and Mr. Boyd seconded. Meeting adjourned at 12:55 P.M.

  
Secretary

  
Chairman

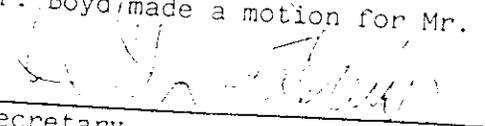
The Board, in special session, after regular meeting approved presenting employees hams for Christmas.

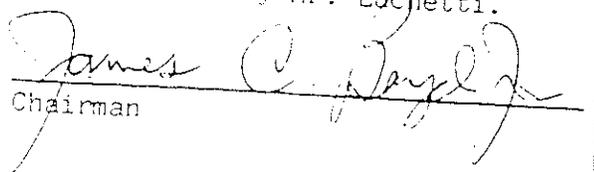
  
Secretary

  
Chairman

SPECIAL BOARD MEETING HELD JANUARY 6, 1986 . . . . .

At a special Board Meeting held at noon at the Alpha, Mr. Luchetti made a motion-to maintain Mr. Boyd as Chairman for the year 1986, with Mr. Dickinson seconding. Mr. Boyd made a motion for Mr. Dickinson as sec'y/treas., seconded by Mr. Luchetti.

  
Secretary

  
Chairman



C E R T I F I C A T E

The undersigned, being the Chairman of the Ohio County Public Service District at all times pertinent to this certificate, do hereby certify as follows:

1. That commencing on July 22, 1985, and again on July 29, 1985, the Ohio County Public Service District caused to be published in the Wheeling Intelligencer, a newspaper of general circulation within the district, a legal advertisement conforming to the provisions of West Virginia Code §16-13A-25, a copy of which is contained in the affidavit of publication attached hereto as Exhibit I.

2. That from July 22, 1985, through August 21, 1985, forms upon which registered voters who are residents of that portion of the public service district to be served by the project could indicate their opposition thereto, were maintained in the Office of the Clerk of the County Commission of Ohio County, City-County Building, 1500 Chapline Street, Wheeling, West Virginia, and the office of the Ohio County Public Service District, 411 National Road, Triadelphia, West Virginia.

3. That during said period a total of sixteen (16) persons indicated opposition to the project. Twelve (12) persons signed the form maintained at the public service district office (said form is attached hereto as Exhibit II), and four (4) persons signed the form maintained at the Courthouse (said form is attached hereto as Exhibit III).

4. That the public service district has caused an examination of the voter rolls of Ohio County to be performed in order to establish the number of voters residing within the area to be

served by the project and does certify that at least three hundred twenty-seven (327) registered voters reside in the project service area.

5. That the sixteen (16) persons signing the form constitute less than five percent (5%) of the minimum number of registered voters.

WITNESS my signature and seal:

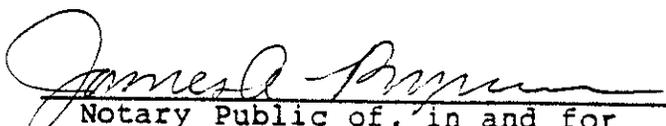
  
James C. Boyd, Jr.  
Chairman, Ohio County Public  
Service District

STATE OF WEST VIRGINIA,  
COUNTY OF OHIO, To-wit:

James C. Boyd, Jr., being the Chairman of the Ohio County Public Service District, after being first duly sworn according to law, says that the facts and allegations contained therein are true, except insofar as they are therein stated to be upon information and belief, and that insofar as they are therein stated to be upon information and belief, he believes them to be true.

  
James C. Boyd, Jr.

Taken, sworn to and subscribed before me this 9th day of October, 1985.

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

My commission expires:

April 24, 1991

NOTICE

OHIO COUNTY PUBLIC SERVICE DISTRICT, OHIO COUNTY, WEST VIRGINIA

\$700,000 Sewer Revenue Bonds and \$2,750,000 Sewerage System Interim Borrowing NOTICE IS HEREBY GIVEN to the residents of Ohio County Public Service District, Ohio County, West Virginia...

EXHIBIT I

STATE OF WEST VIRGINIA, COUNTY OF OHIO.

I, Mary F. [Signature] 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 annexed publication was inserted in said newspaper on the following dates:

July 22-79

commencing on the 29th day of July, 1985

Given under my hand this 29th day of July, 1985

[Signature]

Sworn to and subscribed before me this 29th day of July, 1985 at WHEELING, OHIO COUNTY, WEST VIRGINIA

[Signature] Notary Public

of, in and for OHIO COUNTY, WEST VIRGINIA.

My Commission expires May 29, 1995

OHIO COUNTY PUBLIC SERVICE DISTRICT, OHIO COUNTY, WEST VIRGINIA \$700,000 Sewer Revenue Bonds and \$2,750,000 Sewerage System Interim Borrowing NOTICE IS HEREBY GIVEN to the residents of Ohio County Public Service District, Ohio County, West Virginia...

At or prior to commencement of construction of the project, the District contemplates borrowing on an interim basis from time to time, sums not to exceed \$2,750,000 in the aggregate, such borrowings to be in the form of bond anticipation notes, grant anticipation notes, construction notes or some combination of the foregoing (collectively the "Notes").

The anticipated rate to be charged by the District for sewer service are \$9.00 plus \$2.50 per 1,000 gallons used with a minimum monthly bill of \$11.50. On all accounts not paid in full within 20 days of date of bill, 10% will be added to the amount shown. A one-time construction fee of \$25.00 will be charged to each user of the system.

## OHIO COUNTY PUBLIC SERVICE DISTRICT, OHIO COUNTY, WEST VIRGINIA

~~\$700,000 Sewer Revenue Bonds and \$2,750,000 Sewerage System Interim Borrowing~~

NOTICE IS HEREBY GIVEN to the residents of Ohio County Public Service District, Ohio County, West Virginia, that Ohio County Public Service District intends to acquire, construct, operate and maintain certain public service properties, constituting sewer facilities and consisting of vacuum, pressure and gravity sewers, including collection and transmission stations and all appurtenant facilities (the "Project") in Ohio County Public Service District, Wheeling Creek Watershed, including Springdale, Stone Church Road, Roneys Point, Pixons Run, Valley View Addition and Lower Peters Run Road.

The District contemplates financing the Project in part through the issuance of its Sewer Revenue Bonds in the aggregate principal amount of not more than \$700,000 (the "Bonds"), bearing interest at a rate not to exceed 12% and with maturities not to exceed 40 years, in part from grants from the United States Environmental Protection Agency and West Virginia Water Development Authority and in part from fees to be charged to customers of the Project and, if available, revenues generated from the Project prior to completion of construction. The estimated cost of the Project, according to Carrone & Vaughn, Inc., Consulting Engineers, is \$2,814,750. The Project is expected to serve 329 customers when completed.

At or prior to commencement of construction of the Project, the District contemplates borrowing, on an interim basis from time to time, sums not to exceed \$2,750,000 in the aggregate, such borrowings to be in the form of bond anticipation notes, grant anticipation notes, construction notes or some combination of the foregoing (collectively, the "Notes"). The Notes shall bear interest at a rate not to exceed 12% per annum, and shall have maturities not to exceed 30 months. All such interim borrowing will be temporary, and repayment of the Notes will be made from proceeds of the Notes, the Bonds, the aforesaid grants, construction charges, revenues of the Project or a combination of the foregoing.

As security for payment of the Notes, the District may obtain a letter or letters of credit from a commercial bank or banks for an amount not to exceed \$400,000. In connection with obtaining such letter or letters of credit, the District may enter into agreements with such banks, obligating the District to reimburse such banks for any draw under the letter or letters of credit and to issue its sewerage system refunding notes in an amount equal to such draw to evidence such reimbursement obligation. Such refunding notes, if any, will bear interest at such rate or rates, not exceeding 12% per annum, payable on such dates; will mature on such date, not more than 24 months from the date of issuance thereof; will be redeemable; will be payable from the same sources as the Notes described above and will be subject to such other terms, all as will be set forth in said reimbursement agreement.

The anticipated rates to be charged by the District for sewer service are \$9.00 plus \$2.50 per 1,000 gallons used, with a minimum monthly bill of \$11.50. On all accounts not paid in full within 20 days of date of bill, 10% will be added to the net amount shown. A one-time construction fee of \$25.00 will be charged to each user of the system.

For a period of 30 days following publication of this Notice, a form will be available in the office of the Clerk of The County Commission of Ohio County at the Ohio County Courthouse, Chapline Street, Wheeling, West Virginia, and in the office of the District, located at 411 National Road, Triadelphia, West Virginia, for registered voters who are residents of that portion of the District which will be served by the Project to sign indicating their opposition to the District's borrowing money or issuing the Bonds upon the terms or for the purpose stated herein. These forms will be available during regular business hours. West Virginia Code, Chapter 16, Article 13A, Section 25, which authorizes such form, provides for the signing of such form only by registered voters who are residents of that portion of the District which will be served by the Project.

s/s

James C. Boyd, Jr.

Chairman, Public Service Board, Ohio County PSD



OHIO COUNTY PUBLIC SERVICE DISTRICT, OHIO COUNTY, WEST VIRGINIA  
\$700,000 Sewer Revenue Bonds and \$2,750,000 Sewerage System Interim Borrowing

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The District contemplates financing the Project in part through the issuance of its Sewer Revenue Bonds in the aggregate principal amount of not more than \$700,000 (the "Bonds"), bearing interest at a rate not to exceed 12% and with maturities not to exceed 40 years, in part from grants from the United States Environmental Protection Agency and West Virginia Water Development Authority and in part from fees to be charged to customers of the Project and, if available, revenues generated from the Project prior to completion of construction. The estimated cost of the Project, according to Carrone & Vaughn, Inc., Consulting Engineers, is \$2,814,750. The Project is expected to serve 329 customers when completed.

At or prior to commencement of construction of the Project, the District contemplates borrowing, on an interim basis from time to time, sums not to exceed \$2,750,000 in the aggregate, such borrowings to be in the form of bond anticipation notes, grant anticipation notes, construction notes or some combination of the foregoing (collectively, the "Notes"). The Notes shall bear interest at a rate not to exceed 12% per annum, and shall have maturities not to exceed 30 months. All such interim borrowing will be temporary, and repayment of the Notes will be made from proceeds of the Notes, the Bonds, the aforesaid grants, construction charges, revenues of the Project or a combination of the foregoing.

As security for payment of the Notes, the District may obtain a letter or letters of credit from a commercial bank or banks for an amount not to exceed \$400,000. In connection with obtaining such letter or letters of credit, the District may enter into agreements with such banks, obligating the District to reimburse such banks for any draw under the letter or letters of credit and to issue its sewerage system refunding notes in an amount equal to such draw to evidence such reimbursement obligation. Such refunding notes, if any, will bear interest at such rate or rates, not exceeding 12% per annum, payable on such dates; will mature on such date, not more than 24 months from the date of issuance thereof; will be redeemable; will be payable from the same sources as the Notes described above and will be subject to such other terms, all as will be set forth in said reimbursement agreement.

The anticipated rates to be charged by the District for sewer service are \$9.00 plus \$2.50 per 1,000 gallons used, with a minimum monthly bill of \$11.50. On all accounts not paid in full within 20 days of date of bill, 10% will be added to the net amount shown. A one-time construction fee of \$25.00 will be charged to each user of the system.

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s/s James C. Boyd, Jr.  
 Chairman, Public Service Board, Ohio County PSD





The regular monthly Board meeting of Essex County Public Service District was held at the National Lodge, Philadelphia, Pa., in the District Conference room, on May 15, 1986. Said meeting was called to order by James C. Boyd, Jr., Board Chairman, at 12 o'clock noon.

Those in attendance in addition to Mr. Boyd, were:

Robert Luchetti - Board Member

Daniel W. Dickinson, Jr. - Secretary-Treasurer

D. Curran - C & T

Jerry Cook - Cedar Rock area resident

Charles Lewis - New Port Lane resident

Two residents from Short Creek Area (New Holland)

Warren Boyce - Newspaper

Don Wayne - WFOV-TV

Edwin K. Clifford - DCPD Superintendent

D. Hamilton

Minutes to last meeting were approved as written.

Mr. Boyd presented bills for review and approval for payment. Bills as follows:

After review Mr. Luchetti made a motion to approve as presented for payment. Mr. Boyd seconded.

Superintendent's report was given as follows:

The District will start on easements on Shawnee Hills

This week-end for Phase I-A Sewer

Some valves went out in Cedar Rock area and are being replaced by crews.

He reported that the ~~City Engineer~~ <sup>Water Pollution Control</sup> has done a survey on Sewer Treatment plants and that Ohio County Public Service District was given consideration for an award and was at the top list, and will receive a Certificate. We have sent for a copy of the study done by the Clearing House.

A pressure valve went out at Dallas Pike resulting in about 285,000 gal. loss. Has been replaced.

The electric was out at Jew Point - Mountain Heights - which drained our tanks before detected. The problem was resolved with electric service being restored without any water loss.

Two residents from the Short Creek area are in attendance to petition the Board for water. The Board is going to try to get water service for them - but need to study the situation and possible ways of serving them. There are approximately twenty homes involved. Ed will work toward obtaining user agreements and completing the preliminary. There are two ways to be considered.

The meeting was opened at this time for comments from the floor -

Jerry Cooks - asked (again) how many customers are not hooked up to the sewer at Cedar Rock and what's being done. Mr. Clifford told how there are between 10-12 not hooked up yet and legal action

started.

Mr. Boyd reported at this time that a Pre-Construction Conference for Phase I-A, this morning (5-15-86), to discuss the project. One Contractor said he plans to start June 1-1986, and the other on Monday, 5-19-86.

Margra Cost reviewed the requirements of District - Engineer - Contractor - Utilities. Albert Martin from DNR reviewed the project from the governmental stand-point. Mr. Boyd said it is the Board's responsibility to have easements in the hands of the Contractor when they start to avoid any delay.

He also said that the Bond and Note Closing for the Sewer Project is scheduled for tomorrow, 5-16-86, and presented ~~two~~ resolutions ~~was~~ for Board action.

First - Bond and Note Issuance

Second - Supplemental Bond Issuance

Mr. Duchetti made a motion to <sup>officially accept</sup> ~~approve~~ both resolutions with Mr. Dickinson, seconding.

Mr. Boyd said a copy of these resolutions would be on file in the District's office and Mr. Seely's Office.

Mr. C. Lewis asked who the Contractor were for the Sewer Project and was told A. E. Paris Co. and Grumbie Service.

Mr. Lewis had asked about the possibility of Phase II-A residents tying into Phase I, as a matter of convenience and feasibility at the last meeting; Mr. Clippard had checked this and said there was no way to do this - due to the terrain.

Mrs. Luchette made a motion for the meeting  
to adjourn with Mrs. Boyd seconding. Meeting adjourned  
at 12:27 P.M.

James C. Boyd Jr.  
Chairman

Wm. A. [unclear]  
[unclear]



THIS AGREEMENT, Made this 19<sup>th</sup> 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.

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 including 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 distributbn 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 writton notice of such payment to City.

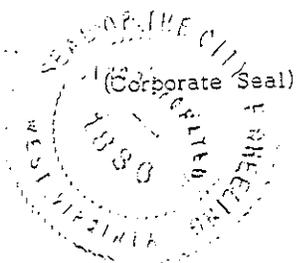
(13) It is further agreed that as this agreement incorporates and amends the previous agreement between the parties dated July 7, 1964,

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~~ <sup>March</sup>, 1962; 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~~ <sup>January</sup>, 1962.

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)



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 18<sup>th</sup> 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 26<sup>th</sup> 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 1, 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:

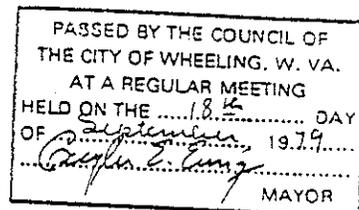
Section 1. The City Manager is hereby authorized to execute that certain proposed agreement between The City of Wheeling and the Ohio County Public Service District, which agreement extends the term of the existing agreement dated March 5, 1969 by eleven years. A copy of the proposed agreement is attached 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



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.

Bette Ann Palmer  
City Clerk

THIS AGREEMENT, Made this 10th day of <sup>August</sup>~~November~~, 1963, 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, 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





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III

~~5TH AND WALNUT STREETS~~  
PHILADELPHIA, PENNSYLVANIA 19106

MAR 30 1984

WDA #4

CERTIFIED MAIL

Re: C-540221-03  
Ohio County Public  
Service District

Mr. James Boyd, Jr., Chairman  
Ohio County Public Service District  
P.O. Box 216  
Triadelphia, West Virginia 26059

Dear Mr. Boyd:

You were advised by mailgram on March 8, 1984, that the bidding procedures for Contract Numbers 1 and 2 for Phase I of the referenced project were approved and that the contracts could be awarded to the low responsive bidders as indicated by the proposals you submitted.

In addition, EPA Form 5780-1B is approved with the following revisions:

<u>Item</u>	<u>For Grant Participation</u>	
A. Construction		
1. Contract No. 1	\$1,027,302	
2. Contract No. 2	296,890	
3. Future Contracts	7,216,000	
B. Technical Services	843,420	1/
C. Legal and Fiscal	2,460	
D. Administrative	2,690	
E. Contingency	<u>426,838</u>	2/
F. Total	\$9,815,600	

*Phase II A*  
EPA 2,273,411

1/ Prorated to delete portion of technical services committed to ineligible work and profit which exceeded our guidelines.

2/ Contingency adjusted to approximately five (5) percent of eligible construction costs while maintaining total project costs in \$100 increments.

RECEIVED  
APR 12 1984  
ALBRIGHT

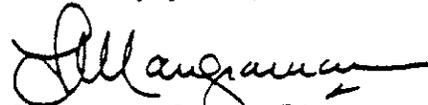
As the revised eligible project cost is \$9,815,600, the grant has been decreased with the concurrence of the West Virginia Department of Natural Resources to an amount not to exceed \$8,036,180. The grant is equivalent to 81.8% of the eligible project cost as allowed under the Clean Water Act. The original and one copy of the Assistance Amendment reflecting the decrease in Federal obligation are enclosed. Please execute the amendment and return the original, within twenty-one days of your receipt, to Mr. Frank Snock, Chief, Grants Management Section. The copy may be retained for your files.

When the contracts have been awarded, one executed copy of the construction agreements, performance and payment bonds, and the Notices-to-Proceed should be promptly submitted to this office, and one similar set forwarded to the West Virginia Department of Natural Resources. Payments will not be made by this office for construction until our receipt of these items..

The Assistance Agreement for the project has conditions which require the submission and approval of certain documents to satisfy regulatory requirements of the program and which are enforced through the grant payment process. In order to assure timely processing of payment requests, these documents must be submitted through the State Agency in advance of the payment milestone specified in the Assistance Agreement.

We are enclosing informational sheets outlining the procedures to be followed in making contract modifications and for submitting partial payment requests.

Sincerely yours,



Greene A. Jones, Director  
Water Management Division

Enclosures

cc: Mr. Warren Means, WVDNR  
Mr. Edgar Henry, WDA  
Mr. Wesley King, COE  
Cerrone & Vaughn, Inc. ✓

EPA ASSISTANCE ~~ACT~~ ~~AMENDMENT~~  
PART I - ASSISTANCE NOTIFICATION INFORMATION

3. FISCAL YEAR: 1984  
4. MAILING DATE: MAR 30 1984

AGREEMENT TYPE:  Grant Agreement  Assistance Amendment

6. PAYMENT METHOD:  Direct Payment  Payment Request  Letter of Credit

7. TYPE OF ACTION: Augmentation - Decrease

8. RECIPIENT: Ohio County Public Service District  
P.O. Box 216  
Triadelphia, West Virginia 26059

9. PAYEE: Ohio County Public Service District  
P.O. Box 216  
Triadelphia, West Virginia 26059

EIN NO. \_\_\_\_\_ CONGRESSIONAL DISTRICT: 1

10. RECIPIENT TYPE: Public Service District

11. PROJECT MANAGER AND TELEPHONE NO.: James C. Boyd, Jr.  
Chairman  
304/547-1288

12. CONSULTANT (WWT Construction Grants Only): Holley, Kenney, Schott & Assoc, Inc.  
921 Penn Avenue  
Pittsburgh, Pa. 15222  
412/471-5348

13. ISSUING OFFICE (City/State): Philadelphia, Pa.

14. EPA PROJECT/STATE OFFICER AND TELEPHONE NO.: Dennis Carney  
Acting Chief  
West Virginia Section  
215/597-4088

15. EPA CONGRESSIONAL LIAISON & TEL. NO.: Patricia Gaskins 202/382-5184

16. STATE APPL ID (Clearinghouse): \_\_\_\_\_

17. FIELD OF SCIENCE: N/A

18. PROJECT STEP (WWT CG Only): 3

19. STATUTORY AUTHORITY: Clean Water Act

20. REGULATORY AUTHORITY: 40 CFR Parts 30

21. STEP 2 + 3 & STEP 3 (WWT Construction Only):

a. Treatment Level	N/A
b. Project Type	N/A
c. Treatment Process	C
d. Sludge Design	E

22. PROJECT TITLE AND DESCRIPTION: The project consists of two phases: Phase I includes construction of a combination vacuum/pressure sewer system to serve Cedar Rocks - View Point Lane area of Ohio County; Phase II includes construction of a combination vacuum/pressure/gravity sewer system to serve Short Creek and other areas in Ohio County. Treatment will be provided for both phases by the City of Wheeling. This amendment pertains to Phase I of the project.

23. PROJECT LOCATION (Areas Impacted by Project):

City/Town	County	State	Congressional District
Triadelphia	Ohio	WV	01

24. ASSISTANCE PROGRAM (CFDA Program No. & Title): 66.418

25. PROJECT PERIOD: 9/77 - 7/87

26. BUDGET PERIOD: N/A

27. COMMUNITY POPULATION (WWT CG Only): 5,700

28. TOTAL BUDGET PERIOD COST: N/A

29. TOTAL PROJECT PERIOD COST: \$9,815,600

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
30. EPA Amount This Action	8,367,820	-331,640	8,036,180
31. EPA In-Kind Amount			
32. Unexpended Prior Year Balance			
33. Other Federal Funds			
34. Recipient Contribution			
35. State Contribution			
36. Local Contribution			
37. Other Contribution			
38. Allowable Project Cost	11,157,100	-1,341,500	9,815,600

Program Element	FY	Appropriation	Doc. Control No.	Account Number	Object Class	Obligation/Deblig. Amount
ABA765	77	68X0103.9		7765036006	41.11	\$-1,006,120
WA8302	83C	68X0103.F	WA8303	MKG0036006	41.11	\$ 674,480

1. PERSONNEL	
2. FRINGE BENEFITS	
3. TRAVEL	
4. EQUIPMENT	
5. SUPPLIES	
6. CONTRACTUAL	
7. CONSTRUCTION	
8. OTHER	
9. TOTAL DIRECT CHARGES	
10. INDIRECT COSTS: RATE % BASE	
11. TOTAL (Share: Recipient _____ % Federal _____ %)	
12. TOTAL APPROVED ASSISTANCE AMOUNT	\$ N/A

TABLE B - PROGRAM ELEMENT CLASSIFICATION (Non-construction)

1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12. TOTAL (Share: Recipient _____ % Federal _____ %)	
13. TOTAL APPROVED ASSISTANCE AMOUNT	\$ N/A

TABLE C - PROGRAM ELEMENT CLASSIFICATION (Construction)

	Basic (75%)	Alternative (10%)
1. ADMINISTRATION EXPENSE		
2. PRELIMINARY EXPENSE <i>Legal/Fiscal</i>	2,690	1,848
3. LAND STRUCTURES, RIGHT-OF-WAY	2,460	1,690
4. ARCHITECTURAL ENGINEERING BASIC FEES	106,055	72,860
5. OTHER ARCHITECTURAL ENGINEERING FEES	186,424	128,073
6. PROJECT INSPECTION FEES	550,941	378,496
7. LAND DEVELOPMENT		
8. RELOCATION EXPENSES		
9. RELOCATION PAYMENTS TO INDIVIDUALS AND BUSINESSES		
10. DEMOLITION AND REMOVAL		
11. CONSTRUCTION AND PROJECT IMPROVEMENT	8,540,192	5,868,626
12. EQUIPMENT		
13. MISCELLANEOUS		
14. TOTAL (Lines 1 thru 13)		
15. ESTIMATED INCOME (If applicable)		
16. NET PROJECT AMOUNT (Line 14 minus 15)		
17. LESS: INELIGIBLE EXCLUSIONS		
18. ADD: CONTINGENCIES	426,838	293,207
19. TOTAL (Share: Recipient: <u>18.2%</u> Federal <u>81.8%</u> )	9,815,600	6,744,800
20. TOTAL APPROVED ASSISTANCE AMOUNT (\$8,036,180)	7,361,700	674,480

GENERAL CONDITIONS

The recipient covenants and agrees it will expeditiously initiate and timely complete the project work for which assistance has been awarded under this agreement, in accordance with all applicable provisions of 40 CFR Chapter I, Subchapter B. The recipient warrants, represents, and agrees that it, and its contractors, subcontractors, employees and representatives, will comply with: (1) all applicable provisions of 40 CFR Chapter I, Subchapter B, INCLUDING BUT NOT LIMITED TO the provisions of Appendix A to 40 CFP Part 30, and (2) any special conditions set forth in this assistance agreement or any assistance amendment pursuant to 40 CFR 30.425.

b. SPECIAL CONDITIONS:

(For cooperative agreements include identification or summarization of EPA responsibilities that reflect or contribute to substantial involvement.)

- A. Part III, Special Conditions, Number 2, 10, 11, and 13, "Discharge Permits", "Industrial Cost Recovery System", "Service Limitations", and "Sewer Tie-Ins" are deleted in their entirety.
- B. Part III, Special Conditions, Number 12 and 14, "Service Agreements" and "Schedule of Grant Payments", are deleted in their entirety and substituted by the following in lieu thereof:

"12. Service Agreements

Construction shall not be initiated on Phase II of the project whose flows are to be conveyed through the Town of Triadelphia interceptor until DNR/EPA receive an approvable service agreement between the Town of Triadelphia and Ohio County Public Service District.

14. Revised Schedule of Grant Payments

The grantee may submit requests for payment for allowable costs incurred in accordance with the following schedule:

<u>Payment No.</u>	<u>Date</u>	<u>Payment</u>	<u>Cumulative Amount</u> (not to be exceeded)
1 - 4	Previously Paid	\$ 65,800	\$ 65,800
5	4/84	220,750	286,550
6	6/84	245,610	532,160
7	7/84	286,550	818,710
8	8/84	163,740	982,450
9	9/84	122,810	1,105,260
10	10/84	81,870	1,187,130
11	11/84	71,230	1,258,360
12	12/84	49,120	1,307,480
13	1/85	188,300	1,495,780
14	2/85	200,590	1,696,370
15	3/85	400,250	2,096,620
16	4/85	327,490	2,424,110
17	5/85	450,290	2,874,400
18	6/85	532,160	3,406,560
19	7/85	695,910	4,102,470
20	8/85	654,970	4,757,440
21	9/85	573,100	5,330,540
22	10/85	491,230	5,821,770
23	11/85	327,490	6,149,260
24	12/85	204,680	6,353,940
25	1/86	163,920	6,517,860

b. Special Conditions (Cont'd)

14. Revised Schedule of Grant Payments (Cont'd)

<u>Payment No.</u>	<u>Date</u>	<u>Payment</u>	<u>Cumulative Amount</u> (not to be exceeded)
26	2/86	163,920	6,681,600
27	3/86	195,270	6,876,870
28	4/86	216,170	7,093,040
29	5/86	188,470	7,281,510
30	6/86	372,410	7,653,920
31	8/86	2,050	7,655,970
32	9/86	2,050	7,658,020
33	10/86	2,050	7,660,070
34	12/86	372,430	8,032,500
35	5/87	2,700	8,035,200
36	8/87	980	8,036,180"

c. Part III, Special Conditions are hereby amended by adding the following:

"15. Project Replacement

The grantee shall inform the Regional Administrator within two years after the initiation of the operation of the project if the project is failing to meet the project performance standards. If necessary the Regional Administrator may award 100% of the allowable costs for modification or replacement (40 CFR 35.2032(c)).

16. Subagreements and Contracts

- (a) The grantee agrees to negotiate a subagreement and contract for all services to be awarded under this grant. Such subagreements and contracts shall be in conformance with and incorporate the required clauses of 40 CFR Part 33.
- (b) A copy of the proposed subagreements and contracts shall be submitted to the Regional Administrator for review and pre-award approval as appropriate under 40 CFR Part 33. The submittal of the proposed subagreements and contracts shall include the procurement records required in Appendix A to 40 CFR Part 33.
- (c) The grantee shall submit to the Regional Administrator the proposed subagreement and contract cost or price data on EPA Form 5700-41 or on a form which contains similar information."

All other terms and conditions remain unchanged.

PART IV

NOTE: The Agreement must be completed in duplicate and the Original returned to the Grants Administration Division for Headquarters awards and to the appropriate Grants Administrations Office for State and local awards within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA.

Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the recipient subsequent to the document being signed by the EPA Award Official which the Award Official determines to materially alter the Agreement shall void the Agreement.

OFFER AND ACCEPTANCE

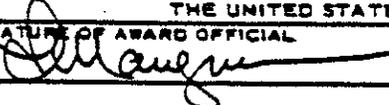
The United States of America, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers ~~assistance~~/amendment to the Ohio County Public Service District

for 81.8 % of all approved costs incurred up to and not exceeding \$ 8,036,180

for the support of approved budget period effort described in application (including all application modifications) C-540221-03 Ohio County Public Service District included herein by reference.

ISSUING OFFICE (Grants Administration Office)	AWARD APPROVAL OFFICE
ORGANIZATION/ADDRESS Environmental Protection Agency Grants Management Section (3PM32) Curtis Building, 6th & Walnut Streets Philadelphia, Pennsylvania 19106	ORGANIZATION/ADDRESS Environmental Protection Agency Water Management Division (3WM00) Curtis Building, 6th & Walnut Streets Philadelphia, Pennsylvania 19106

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL 	TYPED NAME AND TITLE Greene A. Jones, Director Water Management Division	DATE MAR 30 1984
---	--	---------------------

This Agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees - (a) that the award is subject to the applicable provisions of 40 CFR Chapter I, Subchapter B and of the provisions of this agreement (Parts I thru IV), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
-----------	----------------------	------



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III

841 Chestnut Building  
Philadelphia, Pennsylvania 19107

MAY 08 1986

Mr. James C. Boyd, Jr.  
Chairman, Ohio County Public Service District  
411 National Road  
Wheeling, West Virginia 26003

Dear Mr. Boyd:

As requested in a May 5, 1986, phone conversation with Mr. Vince Collins, Bond Counsel for the District, I will provide the information necessary to close the bonds for construction of Phase II-A of the Ohio County PSD project.

You were previously notified by this office on April 9, 1986, that the Part B bid documents on Contract Numbers 5,6,7 and 9 were approved and that the contracts may be awarded to the low, responsive bidders as indicated by the proposals. In addition, \$8,054,190 is the current approved amount in the Step III Grant (C-540221-03) which can be used for construction of the Phase II-A portion of the project.

We hope this information is helpful to you in the bond closing. If you need additional information, please feel free to contact Mr. Bruce Smith, at (215) 597-9388.

Sincerely,

A handwritten signature in cursive script that reads "R. Fenton Roudabush".

R. Fenton Roudabush, Chief  
Virginia/West Virginia Section  
Construction Grants Branch

cc: Mr. Mike Johnson, W.Va.  
Department of Natural Resources  
/Mr. Vince Collins  
Steptoe & Johnson

26A





STATE OF WEST VIRGINIA  
WATER DEVELOPMENT AUTHORITY  
1201 DUNBAR AVENUE  
DUNBAR, WV 25064

(304) 348-3612

May 16, 1986

PERSONAL DELIVERY

Mr. James C. Boyd, Jr., Chairman  
Ohio County Public Service District  
P. O. Box 216  
Triadelphia, WV 26059

The West Virginia Water Development Authority (WDA) is pleased to make a hardship grant available to the Ohio County PSD. The WDA hardship grant will normally be paid in a manner similar to EPA grant payments which are based essentially on completion of work. However, hardship grant funds may be made available at the time of repayment of the WDA loan(s) by the entity.

The WDA hardship grant is to be for an amount not to exceed \$750,845 and is subject to the conditions set forth in the grant agreement and Administrative Regulations. If you desire to participate in the hardship grant program, please sign the enclosed agreement and forward the original and first copy to this office. Also, a copy of the resolution designating the signee of the agreement must be returned.

EDGAR N. HENRY, PE - DIRECTOR

c Senators  
Delegates  
Water Resources Division  
Regional Planning Council  
Economic & Community Development  
Environmental Health Services  
Consulting Engineer



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

ACCEPTANCE OF DUTIES OF REGISTRAR

KANAWHA VALLEY BANK, N.A., a national banking association with principal office in the City of Charleston, West Virginia, hereby accepts appointment as Registrar in connection with Ohio County Public Service District Sewer Revenue Bonds, Series 1986 A and Series 1986 B, dated May 16, 1986, in the aggregate principal amount of \$150,281 and agrees to perform all duties of Registrar in connection with such Bonds, all as set forth in the Local Act authorizing issuance of the Bonds.

KANAWHA VALLEY BANK, N.A.

By

*Charlotte Morgan*  
Its Assist Corp Treasr Officer

05/13/86  
OHPSD1-P



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

ACCEPTANCE OF DUTIES OF DEPOSITORY BANK

The First National Bank & Trust Company of Wheeling, a national banking association with principal office in the City of Wheeling, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Resolution of Ohio County Public Service District adopted May 15, 1986, authorizing issuance of Ohio County Public Service District Sewer Revenue Bonds, Series 1986 A and Series 1986 B, dated May 16, 1986, in the aggregate principal amount of \$150,281 (the "Governmental Agency Bonds") and agrees to perform all duties of Depository Bank in connection with such Governmental Agency Bonds, all as set forth in said Resolution.

THE FIRST NATIONAL BANK & TRUST  
COMPANY OF WHEELING

By Jerry A. Halverson  
Its President

05/13/86  
OHPSD1-Q



OHIO COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds,  
Series 1986 A and Series 1986 B

REGISTRATION OF BONDS

I, CHARLOTTE S. MORGAN ASSIST. CORP. TRUST OFFICER of Kanawha Valley Bank, N.A., as Registrar under the Local Act and Registrar's Agreement providing for the \$150,281 aggregate principal amount of Sewer Revenue Bonds, Series 1986 A and Series 1986 B, of Ohio County Public Service District (the "Governmental Agency"), hereby certify that on the 16th day of May, 1986, (i) the single fully registered Series A Bond of the Governmental Agency in the principal amount of \$100,320 designated "Sewer Revenue Bond, Series 1986 A," numbered AR-1, and dated on the date hereof and (ii) the single fully registered Series B Bond of the Governmental Agency in the principal amount of \$49,961, designated "Sewer Revenue Bond, Series 1986 B," numbered BR-1 and dated on the date hereof were both registered as to principal and interest in the name of "West Virginia Water Development Authority" in the books of the Governmental Agency kept for that purpose at our office, by a duly authorized officer on behalf of the Kanawha Valley Bank, N.A., as Registrar.

WITNESS my signature as of this 16th day of May, 1986.

KANAWHA VALLEY BANK, N.A.

By Charlotte S. Morgan  
Its ASSIST. CORP. TRUST OFFICER

05/13/86  
OHPSD1-R



REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 16th day of May, 1986, by and between OHIO COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia (the "Governmental Agency"), and KANAWHA VALLEY BANK, N.A., a national banking association (the "Registrar").

WHEREAS, the Governmental Agency has, contemporaneously with the execution hereof, issued and sold its \$150,281 aggregate principal amount of Sewer Revenue Bonds, Series 1986 A and Series 1986 B, in fully registered form (the "Governmental Agency Bonds"), pursuant to a Bond Resolution and a Supplemental Bond Resolution both adopted May 15, 1986 (collectively, the "Local Act");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Local Act, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Local Act provides for an appointment by the Governmental Agency of a Registrar for the Governmental Agency Bonds; and

WHEREAS, the Governmental Agency desires to appoint, and by the Local Act and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Local Act and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Governmental Agency 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 Governmental Agency Bonds, all as set forth in the Local Act, such duties including, among other things, the duties to authenticate, register and deliver Governmental Agency Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exemption of interest on the

Governmental Agency Bonds from federal income taxation, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Governmental Agency advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Governmental Agency with appropriate records of all transactions carried out by it as Registrar and to furnish the Governmental Agency 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 Governmental Agency 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 Governmental Agency.

4. The Governmental Agency hereby agrees to indemnify the Registrar against any loss, liability or expense incurred by the Registrar other than liability arising by reason of the bad faith, negligence or willful misconduct of the Registrar, and the Registrar hereby agrees to indemnify the Governmental Agency against any loss, liability or expense incurred by the Governmental Agency by reason of the bad faith, negligence or willful misconduct of the Registrar. Such expense, in either case, shall include the costs and expenses of defending against any claim or liability. Neither the Governmental Agency nor the Registrar shall be liable under or held in breach of this Registrar's Agreement if prevented, hindered or delayed in the performance or observance of any provision of this Registrar's Agreement by reason of any act of God, strikes, lockouts, riots, acts of war, epidemics, government action or regulation imposed after the fact, judicial order, earthquakes, floods, fires or other causes beyond their reasonable control.

5. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Governmental Agency hereby agrees to pay to the Registrar, from time to time, the compensation for services rendered as provided in the annexed schedule and reimbursement for reasonable expenses incurred in connection therewith.

6. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Local Act with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Local Act, the terms of the Local Act shall govern.

7. The Governmental Agency and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Local Act will violate any order, decree or agreement to which it is a party or by which it is bound.

8. 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  
P. O. Box 216  
Triadelphia, West Virginia 26059

AGENT: Kanawha Valley Bank, N.A.  
One Valley Square  
Post Office Box 1793  
Charleston, West Virginia 25301  
Attention: Paying Agency Department

9. The Registrar is hereby requested and authorized to authenticate and deliver the Governmental Agency Bonds in accordance with the Local Act.

IN WITNESS WHEREOF, OHIO COUNTY PUBLIC SERVICE DISTRICT and KANAWHA VALLEY BANK, N.A. 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  
*P.O. Box 216 Triadelphia, WV 26059*

By *James C. Boyd Jr*  
Chairman

KANAWHA VALLEY BANK, N.A.

By *Charlotte Morgan*  
Its *ASSIST. COOP. TRUST OFFICER*

05/13/86  
OHPSD1-S

EXHIBIT A

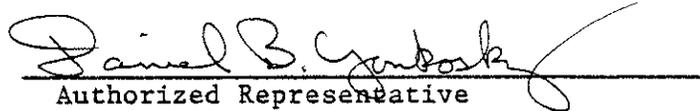


ASSIGNMENT SEPARATE FROM BOND

FOR VALUE RECEIVED, the West Virginia Water Development Authority hereby sells, assigns and transfers unto Kanawha Valley Bank, N.A., Charleston, West Virginia, the Sewer Revenue Bond, Series 1986 A, of the Ohio County Public Service District in the principal amount of \$100,320, No. AR-1, standing in the name of West Virginia Water Development Authority on the books of said Governmental Agency.

Dated: May 16, 1986.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

  
Authorized Representative

05/13/86  
OHPSD1-T